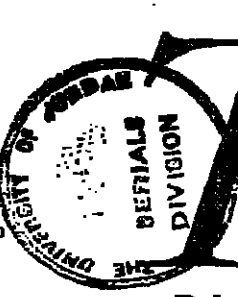


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Printed in London, Manchester, Frankfurt and Roubaix

INTERNATIONAL

The extraordinary story of Walter Tull

An officer and a footballer: Britain's first black hero

G2 pages 10-11

Alex Bellos in Roraima

Brazil's burning issue

Social G2 pages 12-13

Blair shift on media deal

Michael White
Political Editor

DOWNING Street last night dropped its blanket denial that Tony Blair had become involved in Rupert Murdoch's efforts to buy a £2 billion stake in Silvio Berlusconi's Italian media empire.

Officials insisted it was "wrong to say Mr Blair has intervened over the deal" when he spoke last Wednesday to his centre-left Italian counterpart, Romano Prodi. Reports to the contrary were condemned as emanating from "anonymous Italian officials."

But Mr Blair's staff, also anonymous under British reporting conventions, repeatedly told inquirers that "if asked, the Prime Minister would speak up for British firms. It would be odd if he did not."

Italian reporters who telephoned Downing Street were offered a similar formula. Downing Street insists that Mr Prodi instigated what was a routine call.

Although BSkyB is a British company, its biggest shareholder is Mr Murdoch's Australian vehicle, News-Corp, and Mr Murdoch is a naturalised US citizen.

Speculation that Mr Blair has had private talks with the tycoon, who owns the Sun and News of the World, plus Times Newspapers' two broadsheets, was swatted away by Downing Street officials last night.

"The Prime Minister has got to be entitled to have private meetings, just as he is entitled to have private telephone calls," said one official who had "no knowledge" of such a meeting at Downing Street or Chequers.

To add to Downing Street's problems, the British embassy in Rome was quoted last night as confirming that

the two prime ministers had discussed the Mediaset deal, whereby BSkyB would acquire half or all of the firm. But it refused to elaborate on details.

Mr Murdoch has twice been blocked in his efforts to create a bridgehead in the non-English language European market by investing £2 billion of his corporate profits via BSkyB — to comply with Italian media ownership laws — in a 50.6 per cent share in Mediaset, Mr Berlusconi's media holding company.

The Italian magnate has sought £2.3 billion, then changed his mind, allegedly for sentimental reasons. Yesterday his newspaper, *Il Giornale*, complained that the sale to Mr Murdoch might deliver Mediaset, which has half Italy's TV advertising revenues, into "left-wing" hands — an evident allusion to Mr Murdoch's conversion to New Labourism.

Some Italian analysts recalled last night that when Mr Blair hit trouble over dealings with Bernie Ecclestone, head of Formula One, which is backed by tobacco sponsorship, he let it be known that Mr Ecclestone had also lobbied Chancellor Kohl and Mr Prodi — to the latter's embarrassment.

Italian coalition officials, who fear Mr Murdoch at least as much as Mr Berlusconi, may have taken the chance to settle a small score by leaking the conversation.

Mr Blair and his allies have invested much diplomatic time and skill in courting Mr Murdoch to keep his influential tabloids on their side.

Yesterday the Financial Times led the media attack by stating categorically that Mr Blair had "intervened on behalf of Murdoch by speaking to Romano Prodi" — and doing so on the basis of Italian sources. This was dismissed as a "complete joke" by the Downing Street spokesman.

Analysis, page 11

Sir John goes on offensive



Sir John Hall with his wife, Lady Mae, making a brief public apology yesterday before pleading for privacy

'The most difficult thing of all has been trying to explain all of this to a sobbing grandchild when you've got to take them in your arms to comfort them.'

Sir John Hall, club chairman

Newcastle chief attacks 'vilification'

Strong defence of Hall family and resources they pumped into ailing club follows brief apology for wayward son

Julia Finch
and Peter Hetherington

NEWCASTLE United's three independent directors were last night pressing disgraced colleague Douglas Hall to give up family control of the beleaguered club.

The long-awaited resignations of Mr Hall and chairman Freddie Shepherd were announced yesterday. Now the three men who forced them into it want to see the Hall family's 57 per cent stake reduced to less than 50 per cent and ultimately to no more than 12 per cent in an attempt to restore confidence and rebuild Newcastle's reputation as a properly-run public company.

Mr Hall's father Sir John

the multi-millionaire brought out of retirement to rescue the reputation of the club he chaired until last December, yesterday made the briefest of public apologies on behalf of his wayward son before attacking the newspaper which made the allegations.

Sir John, his voice faltering, said his son and Mr Shepherd had been vilified by the media. He spoke for seven minutes from a statement and refused to answer questions, leaving abruptly to let chief executive Freddie Fletcher field the press.

In a strong defence of his family, and the resources they pumped into the ailing club in the early 1990s, Sir John said initially his son and Mr Shepherd were full of remorse. "They can not apologise enough for the pain that

has been caused... however, anyone who knows them realises that these events are totally out of character."

With his wife, Lady Mae, occasionally nodding in agreement, Sir John said: "The vilification that Douglas and Freddie have been put through has been terrible to us. Yes it's been self-inflicted but the question has to be asked: 'Why were they targeted?' Are they MPs, are they arms dealers, was anything that was said in the public interest? The answer self-evidently is no. You therefore have to ask why they were set up. Why were they the subject of such an elaborate and expensive scam?"

He then attacked the *News of the World*, claiming that one of the people behind its investigation had a criminal record and a history of involvement in "similar scams".

Club sources later revealed he was referring to a "John Miller", also known as John McKillop, who once claimed to be an ex-SAS man and, Mr Hall reminded the press conference, who was best known for kidnapping the great train

robber, Ronnie Biggs, in 1981. Sir John asked: "Is that the sort of person who should be involved in what is portrayed as a serious investigation? How much money changed hands to set this whole thing up?"

He said he knew that one unnamed man had been offered £10,000 to sell his story to a newspaper. The man then asked Newcastle for £15,000 to withdraw it. "Where is the morality in that. I am astounded. How can you believe these people?"

Sir John added: "The most difficult thing of all... as parents and grandparents, has been trying to explain all of this to a sobbing grandchild when you've got to take them in your arms to try to comfort them. I'll never forgive and I'll never forget... The human cost has been immense."

He pleaded with the media to give the Halls and the Shepherds some privacy. "Please, please, please let us get on with living our lives. It's going to take time to heal the pain which we've all suffered. Enough is enough." He then left, asking one questioner:

"Do you not think enough talking has taken place over the past few days?"

Shares in the club climbed 8p to 102p as City dealers welcomed the resignations. Newcastle also unveiled six month figures which showed profits before transfer dealings up 56 per cent on last year at £10.3 million.

A *News of the World* exposé had claimed that, during a business trip to Spain, Douglas Hall and Freddie Shepherd bragged about how they fleeced the club's fans.

boasted about their sexual conquests, and insulted star striker Alan Shearer.

Yesterday's share price rise added £7 million to the value of the company — including £4.2 million to Douglas Hall's personal fortune.

Sir Terence Harrison, chairman of Newcastle United plc, the club's parent company, stressed that the independent directors were now running the club, not Sir John.

City notebook, page 12

Prague Writers' Festival 1998

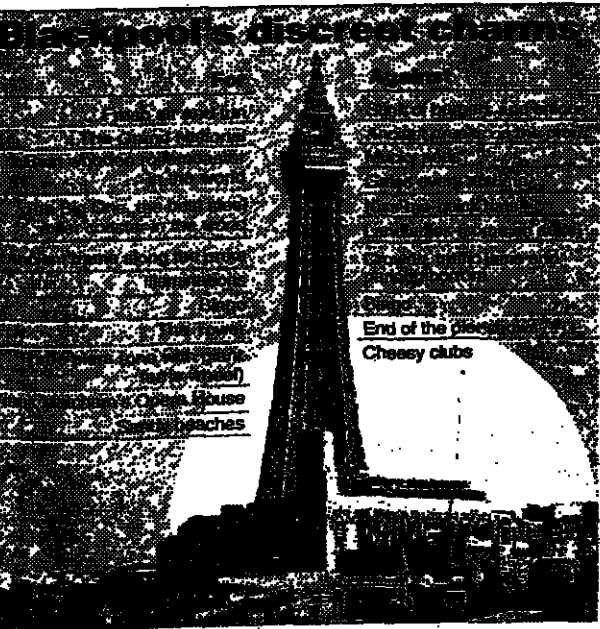
The 8th Prague Writers' Festival presents a selection of fine authors from the Czech Republic and around the world. Meet them at the Franz Kafka Centre, Old Town Square, at 7 pm from 20 to 25 April.

Monday 20 April Lawrence Ferlinghetti Antigone Kefala Michael March Josef Topol	City Lights USA Australia USA Czech Republic
Tuesday 21 April Martin Amis Brian Patten Per Olov Enquist Isabel Fonseca	British Day Great Britain Great Britain Sweden USA
Wednesday 22 April Pedro Tamen Mário Souza Mia Couto Germano Almeida Tahar Ben Jelloun Miroslav Holub	Portuguese-Language Day Portugal Brazil Mozambique Cape Verde Morocco Czech Republic
Thursday 23 April Lilian Faschingher Robert Menasse Claudio Magris Ludvík Vaculík	Austrian Day Austria Austria Italy Czech Republic
Friday 24 April Robert Creeley John Banville Dante Matias Rhea Galanaki Milla Haugová Viera Prokešová Daniela Fischerová	For Bohumil Hrabal USA Ireland Italy Greece Slovakia Slovakia Czech Republic
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New Labour blackballs Blackpool

Michael White
Political Editor

NEW Labour yesterday made another cultural break with the past when it announced that after this year the People's Party will not be staging its annual conference in Blackpool for at least three years.

This is to give the town time to improve its hotels and infrastructure. Meanwhile, the conference is retreating to the South.

A party spokesman tried to soften the blow to the pride, and the economy, of the jewel of the Lancashire Riviera by stressing that the decision had been taken with "great reluctance."

But this October's confer-

ence, already booked for Blackpool, will be the last until facilities at the Winter Gardens improve and some hotels get a lick of paint or cheaper rates.

He also denied reports that party bosses felt that Blackpool was "too far from London" — a contradiction in terms for a party whose heartland has always been far north of Islington.

Hoteliers in Blackpool, which acquired two Labour MPs at the election, took the decision with astonished stoicism. "I know it is New Labour, but perhaps the people who voted for them should think again. Blackpool is traditionally a holiday place where a lot of working class people have come over the decades," said Josie Ham-

mond of the town's Hotel and Guest House Association.

Delegates, guests and media will greet the news with mixed feelings. Since the late James Cameron described the sea as a thin, grey line of sludge which "mercifully brings the town to an end" pollution has got worse.

On that occasion Cameron was ejected from his well-known hotel for describing it as "the Buchenwald of the North." Hotels have improved too and even B&B's boast satellite TV and jacuzzis.

Labour's seismic gesture means it will go to Bournemouth in 1999 — for the first time since Neil Kinnock's Militant-bashing speech in 1985 — and then to Brighton for two years running (on a

special cut-price deal). Behind it is the almost certain desire to burnish its image with the wider corporate and diplomatic world which is now watching Blairism, often at a handsome price in terms of display stands and hospitality.

As many as 5,000 people now attend and security is intense — a problem for Blackpool where the conference centre, Both must be guarded.

Labour and its party rivals have been rotating between the larger seaside resorts, notably Brighton and Blackpool, for as long as most activists can remember. But Blackpool has always seemed more suited to the traditional Labour image.

Britain The Prime Minister has got to be entitled to have private meetings, just as he is entitled to have private telephone calls, said one official who had "no knowledge" of such a meeting at Downing Street or Chequers.	World News The Prime Minister has got to be entitled to have private meetings, just as he is entitled to have private telephone calls, said one official who had "no knowledge" of such a meeting at Downing Street or Chequers.	Analysis The Prime Minister has got to be entitled to have private meetings, just as he is entitled to have private telephone calls, said one official who had "no knowledge" of such a meeting at Downing Street or Chequers.	Sport The Prime Minister has got to be entitled to have private meetings, just as he is entitled to have private telephone calls, said one official who had "no knowledge" of such a meeting at Downing Street or Chequers.	Obituaries 10 Comment 9; Crossword 16
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2 NEWS

Sketch



Simon Hoggart

He ought to speak in French all the time – the voters would get used to it and they never listen to the words anyway, and it sounds so much better



Expansive approach... Tony Blair gestures sweepingly as he addresses deputies gathered in the National Assembly in Paris yesterday

PHOTOGRAPH: LAURENT REBOURS

Blair bons mots prove a palpable hit

THE Prime Minister walked informally up the path to the French national assembly. A military band, clearly unbefuddled in the nuances of Cool Britannia, played Land of Hope and Glory. In Mr Blair's new "real entente" they will be replaced by the Verve.

His arrival has been big news in Paris, and scuffles broke out between the local press and British photographers jostling for position. It must be very strange, wherever you go in public, to find your route lined by men hitting each other.

"You are in Paris, not in Zimbabwe!" said one French reporter. "Azzole!"

We trooped into the

Chamber. This is a magnificent confection of gold and tapestries and murals and bas reliefs and statues and enough marble to denude every quarry in Italy – in short, it would make a perfect potting shed for Lord Irvine. Watch for it in the April issue of Better Gardens and Gardens.

The room is as vertiginous as an opera house. The President, or Speaker, M. Fabius, sat on a throne about halfway up towards the dome. Mr Blair sat below him, gazing nervously up like a Victorian schoolboy in front of the domineering. Finally Mr Fabius finished speaking and Mr Blair mounted to the lectern. We wondered whether he would use his famous verbal twiddles, saying

"Vous savez," and, "I mean, voyez!" but apart from one "alors" he spoke with a clarity and directness he seems to find difficult at home.

First, though, the jokes. French politicians do not go in for jokes, any more than British ministers wave pigs' bladders. So the jokes were welcome. He invoked Winston Churchill, who spoke French like a walrus with a speech impediment, perhaps deliberately. In those days, it was thought that only girls had proper French accents.

"Je vais vous parler en français," said Mr Blair. "Courage!" They laughed and applauded, and quite right, too, because his French is good. You hear a bit more of the elocution

teacher than the streets, but it's 10 times better than any British leader in living memory.

Then he described how, as a young man, he had worked in a Paris bar. Jacques Chirac had been the Prime Minister then. "He has also made progress – though a little less than me." They loved that too.

Then he said that in the bar it was a strict rule that all tips were put into a common pot. After a while he had realised he was the only waiter actually doing this. "It was my first lesson in applied socialism."

The Right, who sit on the right of the room in traditional revolutionary fashion, and who had turned out in fewer numbers than the Left, suddenly realised

that this was quite possibly the funniest thing they had ever heard in their lives.

By the time he was joining the final of the World Cup ("Angleterre contre Ecosse") they were cheering and whooping like Texas at a barbecue.

From then on it was competitive clapping between the two sides. When he got to the passage attacking dogma, and said that what counted was whether an economy was right or left, but whether it worked, the Right's cheers were aimed straight at the Left. "A gauchiste? Huh, he's one of ours!" they were saying.

Then he got on to the Social Exclusion Unit, and the Left decided they could join in. Next we were back

on the spirit of small business enterprise, and the Right had nudged ahead. But then – who was joining him in a new small business collaboration, but that old Leftie, Lionel Jospin. "Bravo!" someone shouted.

(This was notable because it is widely believed in France that M. Jospin does not like Tony Blair. In particular he, a former economics professor, does not like being lectured by someone he regards as little better than a student.)

We must recognise the unions, and the Left was in the lead. We must be "flexible" (which in French means sack lots of workers), or "adaptable" as he put it, and the Right was back on track. By this time

they were willing to applaud almost anything, if only to win some of that magical popularity for themselves. Even "Vive la subsidiarité", perhaps the most boring battle cry ever cried, brought roars of applause.

At the end the voice dropped. His ambition, he said, was an entente réelle, une entente profonde.

He ended almost in a hush. "Voilà, mes amis, merci beaucoup," and they rose for a standing ovation which would not have disgraced a Labour Party conference.

I think he ought to speak in French all the time. The voters would get used to it, they never listen to the words anyway, and it sounds so much better.

High priest of PR bids for the moral high ground

Review

Andy Beckett

Max Clifford
London International Book Fair

MAX Clifford was late. A hundred book publicists were waiting: busy people, with trimmed-off hair, in a hot theatre, beginning to run out of gossip.

Clifford barely bothered to make an entrance. He just shuffled in, short and stout, scowling.

"I'm really here just to talk about anything you wanna talk about," he said, after drinking a glass of mineral water, very slowly, with his back to the audience. Clifford began with an attack on book publicists.

It was hard, at first, to see the appeal. His showman's quiff had wilted. His eyes had sunk under the black ledges of his eyebrows. He drew out the same clichés he had given Publishing News the previous day. "The nineties for me is the age of PR. It's about taking care of clients... We deliver. We get results."

Max Clifford, the fixer, every celebrity's friend or foe, had turned into a taxi driver. Then came a question: was there any such thing as bad publicity? Suddenly, Clifford stirred. His big head bobbed, and he said, with a new hoarseness in his voice: "I've known people commit suicide because of bad publicity."

Max Clifford is a moralist in his own mind. He went after Piers Merchant and David Mellor because "I wanted the last government out. Mainly because of the state of the NHS." He thought the Times should have "come clean" when its parent company dropped Chris Patten's book.

And, most unexpectedly, the silver pragmatist had standards about his clients: "In the last week, I've turned down the Nigerian government."

His voice stayed as flat as the Thames estuary. "Five months ago, I was approached by General Abacha's people," Clifford said, as if he was chatting about Melinda Messenger, "and I explained that, if I represented them, I would want to take all the people out there who have been most critical of the regime. Show them what's going on..."

He paused. "The Nigerians offered me £500,000 – a year. But it was... impractical."

Clifford was at full speed now: flashing smiles, spreading his thick fingers to make points, his smooth white shirt glowing like a halo. He would work for the Church of England, if they asked, he said. He did charity jobs for free. Any hint of a hostile question ebbed away.

Only one doubt remained. From the back row, Max Clifford looked exactly like Bill Clinton.

Max Clifford... I have turned down Nigeria!

No proof of risk to children from MMR vaccine, scientists say

Sarah Hossain
Health Correspondent

INTERNATIONAL scientists, summoned to review research into the controversial measles, mumps and rubella vaccine which has caused many parents to refuse to have their children immunised, concluded yesterday that there was no evidence of a link with autism or bowel disorders such as Crohn's disease.

Sir Kenneth Calman, the Chief Medical Officer, immediately called on parents to take their children for the triple vaccination, fearing that the scare could trigger a measles epidemic which would kill children.

"I strongly advise parents to continue to have their children immunised with MMR vaccine, as presently recommended, and I am writing to all health professionals with that advice," he said.

Giving the vaccines separately, as recommended by Andrew Wakefield of the Royal Free Hospital in north London, where the controversial research was carried out,

could be dangerous, Sir Kenneth argued. "It exposes children to the other diseases over a period of time." If the jabs were given at 12-month intervals, a child could be without protection from either measles, mumps or rubella for two years longer than necessary.

Despite the strong messages given out by the Medical Research Council, which convened the scientific seminar, and the Government, Dr Wakefield and his colleagues at the Royal Free were not prepared to back away from their research.

In their latest paper, published in the *Lancet*, they reported seeing children suffering from bowel disease and autism, which parents said had begun shortly after the MMR vaccination. An earlier study suggested a link between the vaccination and Crohn's, a bowel disease.

"The Royal Free Hospital and School of Medicine will continue to investigate and care for children with autism and abnormalities of bowel function and this very rare association will be the subject of continuing research," they said.

In the light of the scientists' veiled criticism of their virological research, there is a question over whether the Medical Research Council will fund further investigations by the Royal Free team.

The scientists' chief criticism was that the most sensitive available molecular genetic techniques did not find the measles virus in the bowel tissue of patients who had Crohn's disease, even though Dr Wakefield and others had reported finding it using less sensitive methods.

The scientists agreed that it would be useful for other independent groups to look at data on patients who have measles and mumps in one year and later get Crohn's disease and ulcerative colitis. But they ruled out any link between the MMR vaccination and autism and said there was no reason for any change in current government policy on the inoculation.

Experts warned of the dangers of an epidemic. Professor Andrew Tomkins, a vaccination expert at the Institute of Child Health in London, said: "In the 10 years before the

measles vaccine was introduced there were over 850 deaths from measles in England alone. Worldwide, millions of children have escaped death and disability thanks to measles vaccination programmes."

But parents have been voting with their feet. Yesterday a survey by *Pulse* magazine found that in 20 per cent of GP surgeries, five or more parents had refused vaccinations for their child. Vaccinations other than the MMR are also being questioned.

Some GPs also have doubts, according to *Pulse*. Dr Conor Nagle from north London is advising parents against the booster MMR given to children at about four years old, on the basis that only a tiny number do not have immunity after the first MMR jab given to babies.

Three-quarters of the GPs surveyed said they thought the Department of Health had handled the affair badly and wanted a campaign to restore public confidence. More than half said they would be happy to give the measles vaccine on its own if they were given the supplies.

Newcastle United chief attacks press 'vilification'

continued from page 1
John. He said Sir John had returned on a temporary basis "until the end of this season only". After that "a vacancy exists".

The independent directors – John Mayo, the finance director of electronics giant GEC, Denis Cassidy, the former boss of Boddington's brewery, and Harrison, the former chief executive of Rolls Royce – spent all Monday trying to force Mr Hall and Mr Shepherd to resign.

The pair, it emerged, had fought to the end to keep their seats in the boardroom. The independent directors eventually issued a "you go or we go" ultimatum, and the pair were forced to admit defeat.

Had the independents walked out, the club would have been thrown into turmoil and the share price could have collapsed.

Sir Terence is likely to consider an entirely new corporate structure for the club and Newcastle United plc. He believes the current two-tier structure is an anachronism, where the position of club chairman has little purpose apart from accommodating



Sir Terence Harrison... independent directors are in charge

the ego of a high profile local businessman.

Two new directors must be found to represent Mr Hall's and Mr Shepherd's shareholders. The former directors will be able to put forward names, but Sir Terence said: "We are looking for fit and proper people." He said he would ensure those selected were truly independent.

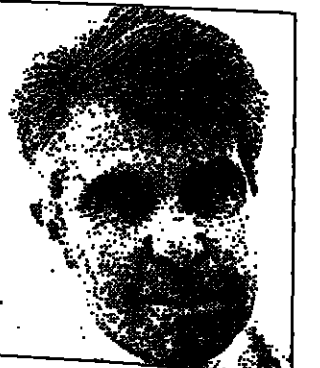
Under the terms of last

year's Stock Exchange listing, Mr Shepherd and Mr Hall can not sell any of their shares before November without the agreement of NatWest Bank. But the bank, which advised Newcastle at the time of its float, is understood to be ready to waive that requirement and allow the Hall family's shareholding to be gradually reduced.

A panic sale could slash the value of the shares and result in a takeover. The club is valued at £143 million and the Hall family stake is worth more than £80 million.

Newcastle has few City shareholders. Even fund managers with several soccer club investments have been wary because of the power wielded by the Hall family. A board spokesman said: "It would be better for everyone if there was more open ownership."

Alex de Groote, a football sector analyst with stockbrokers Albert E Sharp said the club had been the "plaything" of the Hall family, and that despite the money Sir John had ploughed into Newcastle before handing his shareholding to his son "their legacy is now tarnished".



Max Clifford... I have turned down Nigeria!



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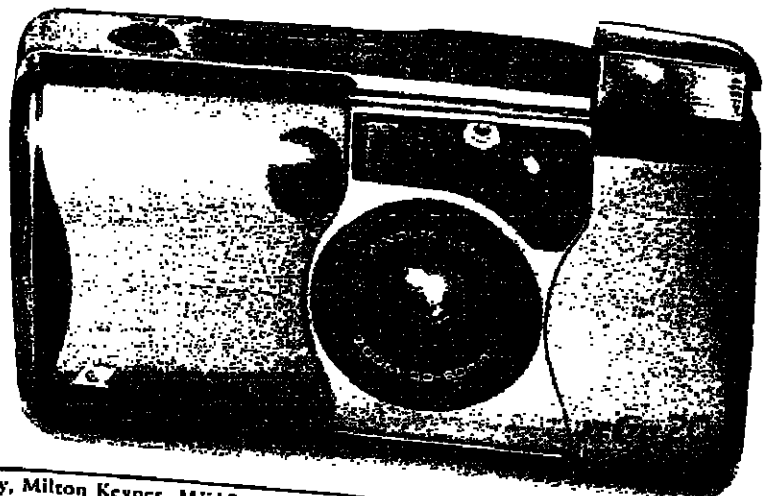
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Family wins civil case against former boyfriend

Judge names doctor's killer in unique hearing



Dr Francisco's sister Celia, left, mother Venus, and elder sister Margarette, right, show their delight after yesterday's landmark ruling in the High Court

PHOTOGRAPH: FRANK BARON

Jamie Wilson

A MAN named by a High Court judge in a landmark ruling yesterday as the murderer of a brilliant gynaecologist could still escape a criminal trial unless new evidence is uncovered.

In a unique hearing, the family of Joan Francisco won their case for damages against Tony Diedrick, the former boyfriend they say killed her, even though he has never been prosecuted in a criminal court.

But Mr Justice Allott based his judgment on the civil rather than criminal standard of proof which requires the case to be proved only on the balance of probabilities rather than beyond

reasonable doubt. Yesterday the Metropolitan police, who arrested Diedrick in March 1995 but released him without charge on the grounds that there was insufficient evidence, said no decision had been taken on whether to submit a new report to the Crown Prosecution Service.

"Any new evidence or information which comes to light will be thoroughly investigated," said the police.

Yesterday the family's solicitor Taz Raza warned they would seek a judicial review in the High Court if the CPS did not bring charges against Diedrick.

Outside the court, Dr Francisco's elder sister, Margarette, said: "It has been over three years since Joan was taken from us and it has been a very long and difficult struggle fraught with many obstacles.

We feel the road to justice has finally been opened to us."

At the end of his 41 page judgment, Mr Justice Allott said: "This is a dreadful judgment to have to pass on any man and not one which I have come to without the most anxious consideration. I find the assault and battery alleged, in effect the murder, to have been proved."

Diedrick, who had attended every day of the trial, was not in court to hear the judgment and was not answering the door of his flat in west London. His solicitor, Helen Kyre, said he would appeal against the decision.

Dr Francisco, aged 27, was strangled with a vacuum cleaner cord at her flat in St John's Wood, north London, on Boxing Day 1994.

Her family have always alleged the killer was Diedrick,

aged 38, who stalked the gynaecologist for months before her death.

Described in court as a committed professional, a devoted daughter, and a social butterfly, Dr Francisco had just taken up a post at the Royal London Hospital at the time of her death.

She had had a relationship with Diedrick from February 1987 until December 1993. The court heard that immediately after they split up Diedrick stalked Ms Francisco on the phone, once cut his wrists, and smashed his way into her mother's home threatening to kill her new boyfriend.

Six of Diedrick's friends also gave evidence that showed, according to the family's counsel, Patrick O'Connor QC, his "deep and dangerous obsession" for Dr

Francisco. Neighbours testified they had seen somebody fitting Diedrick's description stalking Dr Francisco's flat at the end of 1994.

The family called 31 witnesses to prove there was compelling circumstantial evidence of Diedrick's guilt.

Yesterday the judge said the family had been able to prove that Diedrick was obsessed by Dr Francisco, that he regularly stalked her house and that he had demonstrated explosive violence in the past when faced with a comparable situation.

The family had also proved that he had no alibi at the time of the murder and repeatedly lied to police when first interviewed.

The judge said it remained unknown what triggered Diedrick's obsession with Dr Francisco in 1994 — five years

after the end of their affair. Diedrick did not give evidence or call any witnesses during the hearing — a key factor in the judge's decision.

"I have no hesitation in drawing an adverse inference from the defendant's failure to give evidence. If the defendant did not kill the deceased I deem it incredible that he would not seize the opportunity to declare his innocence rather than shelter behind a perceived tactical advantage," he said.

"Probably the defendant had no premeditated intent to kill when he entered [the house] but I am satisfied that he first struck and then strangled the deceased by hand and ligature."

The family will now pursue their damages claim, limited to £50,000, against Diedrick, in private at the High Court.

Clare Dyer on the slim chance of a murder prosecution

THE Tony Diedrick case is the first civil damages claim for murder to be brought where no one has been prosecuted for the killing.

In the only other similar case, Michael Brookes eventually stood trial and was jailed for life for the 1978 murder of a teenager, Lynn Siddons, after a High Court ruling in a civil damages claim by her family that he killed her.

Brookes had not been prosecuted in the aftermath of the girl's killing. His stepson, Fitzroy Brookes, was prosecuted but acquitted. After Mr Justice Roullet ruled in 1991 that Michael Brookes was the killer, the police reopened the case and the CPS prosecuted him.

But there were two crucial differences. In the Siddons civil action, it emerged that the police had bungled the original investigation and overlooked damning evidence. In the Francisco case, no new evidence emerged during the civil case, and the police investigation appears to have been thorough.

In the Siddons case, Mr Justice Roullet made his ruling on the criminal standard of proof — beyond reasonable doubt — even though it was a civil case.

Parents' representatives said withdrawal of child benefit would punish parents for their failings instead of educating them. Margaret Morrissey, spokeswoman for the National Confederation of Parent Teacher Associations, said: "Who would we be harming by taking money out of parents' pockets, except the children themselves?"

The Government estimates that nearly one million children take unauthorised leave from school at least once a year, and about 13,000 are permanently excluded. David Blunkett, the Education and Employment Secretary, has allocated £22 million to tackle the problem this year.

Under existing law, parents who fail to ensure that their children attend school face fines of up to £1,000. But few cases are brought and ministers think the fines are not high enough to be a deterrent.

Stephen Byers, the school standards minister, will today announce plans for a new compact between schools and local education authorities. Councils will be told to challenge schools to improve without interfering with heads' right to manage. He will announce a DfEE "outreach team" of advisers to identify good practice.

He argued that if someone was to be found guilty of a serious crime, even in a civil court, the criminal standard should apply. That left the Crown Prosecution Service with little choice. Had Brookes already been found guilty beyond reasonable doubt, it could hardly argue there was insufficient evidence to convict.

In the Francisco case, Mr Justice Allott decided to adopt the civil standard instead — on the balance of probabilities — with the caveat that an allegation of the "utmost gravity" could be established only by "truly cogent evidence".

Given that no new evidence has emerged and that the finding of guilt was on a lower standard than a jury would have to adopt, the CPS could argue that the position is unchanged.

James Richardson, a senior barrister and editor of the criminal lawyers' bible, Archbold, said: "If no new evidence came out in the civil proceedings and the judge applied the civil standard of proof, they could argue that the judgment is irrelevant."

If the CPS refuses to change its mind, the family say they will seek a judicial review of the decision not to prosecute. But such cases rarely succeed.

Even if the family succeeded, the court could not force the CPS to prosecute. It could rule only that the decision was not taken properly. The most it could do would be to quash the decision and direct the CPS to take it again, properly this time.



Tony Diedrick, who was named as Dr Francisco's killer

The judge's reasons

In his 41-page written judgment, the judge said the family had established that:

□ The killing was apparently motivated by ordinary criteria.

□ Diedrick was obsessed by Joan.

□ Diedrick stalked Joan's home regularly.

□ Diedrick was desperate to speak to Joan.

□ Diedrick believed Joan was about to leave for the US either for good or for a long

time on the very day of her death.

□ Diedrick had demonstrated explosive violence in the past when faced with a comparable situation.

□ Diedrick would know Joan's habits from observation.

□ Diedrick knew Joan would not admit him to her home voluntarily but would have to be surprised.

□ Diedrick had no alibi for the relevant period — 8.50am-9.40am on the day of the murder.

□ Diedrick lied repeatedly when first interviewed.



Gynaecologist Joan Francisco, found strangled in her flat

'Cave-in' on food labelling scheme

British proposals on genetically modified products criticised

John Vidal

BITAIN will use its presidency of the EU next week to urge Europe to adopt a food labelling scheme whose effect will be to deny consumers information about most items on the supermarket shelves.

If the scheme is approved by the Council of Single Market ministers on Monday, there will be no way of telling if soya or corn oil — used in about 85 per cent of processed foods — originates from genetically modified crops.

The scheme is designed to label all foods that are genetically modified. But rather than propose tests for geneti-

cally modified organisms on food as it leaves farms — as consumer groups and some European countries would like — Britain wants foods to be tested after they have been processed. Crushing and heat treatment changes the protein structure.

Under this scheme, single products, like tomato paste from genetically modified tomatoes, would have to be labelled. But processed foods, like lasagne using genetically modified tomatoes, would not test positive and therefore not be labelled as "containing genetically modified organisms."

Friends of the Earth and other consumer groups yesterday accused the Govern-

ment of giving up on attempts to force importers to segregate genetically modified foods and of bowing to industry pressure.

"This is a rollover. If Britain wants consumer choice, then it and Europe must stand up to the US soya bean growers," said Adrian Bebb of Friends of the Earth.

The Government responded yesterday in a statement from the Ministry of Agriculture. "The UK approach to assessing the safety of novel foods is held in high regard around the world. Ministers are determined that all foods which contain genetically modified ingredients should be clearly labelled."

But European MEPs were furious. German MEP Hiltraud Breyer said: "It is contrary to all common sense. Consumers have repeatedly made it clear that they want to know

if their food has been made with genetic engineering or not. They will not be satisfied with a technocratic and misleading scheme."

Meanwhile, it emerged that Britain's watchdog group on dangerous genetic releases has forced industry leader Monsanto and three other firms to destroy test sites for growing genetically modified crops after they breached their safety permits.

In the most serious case, Nickerson Biotech Ltd, a large seed company, was made to plough up 64 hectares at a cost of about £40,000.

John Beringer, chairman of the Advisory Committee on Releases to the Environment (ACRE), said there had been no risk to anyone or to the environment.

But he warned that no-one knew of the future impact of large-scale releases.

Truants' parents risk benefit cut

John Carvel
Education Editor

TONY Blair's social exclusion unit is exploring the idea of cutting child benefit for parents who contribute to their children's truancy from school.

The team has been told to seek radical solutions to the problem of teenagers bunking off school and sliding into a spiral of decline, leaving themselves unemployed and inclined to crime.

The unit is understood to have asked experts their opinion about the possibility of penalising a hard core of parents who encourage their children to miss school — to help around the house or in family businesses, or even to go on holiday.

The unit has raised the possibility of withdrawing child

benefit from parents who support truancy or fail to do their best to ensure pupils' attendance under the terms of a proposed home-school contract.

Mr Blair called for an urgent report before Easter on truancy after being informed by Sir Paul Condon, the Metropolitan Police Commissioner, that 40 per cent of street robberies and a third of car thefts and burglaries in London are committed by children aged 10-16, mostly during school hours.

Government sources said many ideas were being floated and no one option would necessarily form part of the final recommendations.

David Hart, general secretary of the National Association of Head Teachers, supported the plan to withdraw benefit from persistent offenders. "These parents have

to be made to understand somehow that this behaviour is condoned at least once a year, and about 13,000 are permanently excluded. David Blunkett, the Education and Employment Secretary, has allocated £22 million to tackle the problem this year.

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The Government estimates

Man 'killed woman then kidnapped student'

David Wipe

A MAN slashed the throat of a judge's daughter when she refused to give him money as she waited for her boyfriend outside a suburban pub in Greater Manchester, a court heard yesterday.

Less than eight hours later and only six miles away, he kidnapped a student aged 17, forced her to drive to North Wales and kept her captive

for 14 hours, threatening her with the knife he had used in the earlier attack.

The student, Debra Van Gerko, escaped from her car in Caernarfon, but the judge's daughter, Rachel McGrath, aged 27, was left dying at the back door of the Victoria Tavern in Bramhall, said Anthony Gee QC, prosecuting at Liverpool crown court.

He said Nicholas Burton, aged 28, of New Mills, Derbyshire, told a fellow prisoner while on remand that his only

regret was not disposing of the knife and clothing stained with Ms McGrath's blood. But when interviewed by psychiatrists he said his actions had been prompted by "voices in his head".

Burton denies murdering Ms McGrath and kidnapping, falsely imprisoning and threatening to kill Ms Van Gerko last April. He admits the acts but pleads diminished responsibility and insanity.

Mr Gee told the jury: "The facts of this case are horrific and may send a chill down your spine. But you must put emotion and prejudice to one side and not allow them to cloud your judgment."

He said Burton had been in the pub on April 25 telling fellow drinkers that he was "waiting for some beautiful woman to arrive" and borrowing money for cigars.

The jury heard he attacked Ms McGrath with a knife borrowed from a friend as she sat in her car with lights on and engine running at 11pm. "He inflicted on her appalling injuries," said Mr Gee.

At 7.30 next morning, Ms Van Gerko was approached by Burton with the same knife as she returned to her car from a shop in Gatley, Greater Manchester. Mr Gee said Burton "very quietly" told her: "Give me all your money and get in the car, please."

Then began the journey to North Wales. Ms Van Gerko was tied up and forced into

the boot while Burton bought petrol. "Don't scream or I'll kill you," he said.

He forced her to drive on to a hill above Caernarfon, where they parked for four hours.

"During their hours together, the defendant chatted to Ms Van Gerko," said Mr Gee. Burton talked about politics, his dislike of the Conservatives, environmental matters and religion "saying God had forgiven him for his sins and his mistakes". "He

thought sex was wrong and that women should be respected."

After withdrawing £100 from Ms Van Gerko's account at a cashpoint in Caernarfon, he drove to a garage, telling her to sit with legs crossed and the seat pulled forward, making escape difficult.

As he filled the petrol tank, she "seized the moment, opened the door, ran to another car and threw herself on to the lap of a taxi driver and asked for help", said Mr Gee.

Burton drove to an hotel in Bangor where he was arrested at 1.30 am, having washed his gloves and trainers.

In Strangeways prison, Manchester, he told Sean Parkinson, serving 22 years for armed robbery, that he had killed Ms McGrath because she would not co-operate in giving him money, said Mr Gee. He slashed her throat "three or four times" to stop her screaming, the jury heard.

The trial continues today.

4 BRITAIN

Biological alert played down

Ministers sound retreat on anthrax warning

Richard Norton-Taylor and Ian Black on the calming of fears over 'implausible' threats from Saddam Hussein

THE Government yesterday was forced into an embarrassing retreat from its official warning, endorsed by Tony Blair, that Iraqi agents were plotting to smuggle chemical and biological weapons into Britain.

Jack Straw, Home Secretary, insisted there was "no specific threat" to Britain, "no evidence to indicate that any attempt has been made to smuggle anthrax into this country", or that such an attempt "might be in prospect", he told the Commons.

His attempt to allay fears provoked by publication of an all-ports alert to Customs, police Special Branch and Ministry of Defence officers was in stark contrast to remarks as late as yesterday by Mr Blair.

Speaking in Paris, the Prime Minister said information which prompted the alert showed the need for Britain to remain "eternally vigilant" with Saddam Hussein.

Mr Blair has taken a particularly



An American serviceman has an anti-anthrax injection while on duty in the Gulf earlier this month

PHOTOGRAPH: MIKE LARSON



"Iraq may launch a chemical and biological attack using material disguised as harmless fluids". It added that "particular attention should be given to containers of any size holding liquids with specific characteristics".

The alert is understood to have been distributed on

March 18, though Mr Straw said the information leading to the warning reached the Home Office on March 5.

Whitehall officials said it was not the first warning of Iraqi agents possibly smuggling chemical or biological weapons. However, they expressed surprise over claims, confirmed by Downing Street, that the alert had been "approved by Tony Blair".

Independent specialists yesterday warned against exaggerating the threat of terrorists with chemical and biological substances, which are extremely unstable and dangerous to handle.

Paul Rogers, professor of peace studies at Bradford University, said it seemed implausible for Saddam to launch such attacks now. "What's the point if he's not under threat?"

It was reported in the US yesterday that Nassir al Hindawi, regarded as Iraq's leading anthrax programme specialist, had been arrested while trying to flee Iraq. A

UN spokesman in Baghdad said Iraq had informed them of the arrest and UN weapons inspectors had spoken to the scientist "dozens of times" in the presence of Iraqi security officials since he was seized early this month.

Mr Straw told MPs the all-ports warning was not issued until March 18 because the intelligence had had to be assessed "in context" as "part of a series of informations" that had become available.

Responding to an emergency question by Alan Beith, Liberal Democrat home affairs spokesman and member of the security and intelligence committee, Mr Straw said the decision to issue the warning had been a "prudent, precautionary measure" after a number of countries received intelligence about possible threats by Iraq to smuggle the anthrax virus.

An Iraqi government spokesman dismissed as "silly and baseless" suggestions Baghdad was planning to smuggle anthrax into Britain.

Ill wind

How dangerous is anthrax? The US military regards it as "the leading, most deadly, most difficult" biological agent. So do the British and the Russians.

What is it? *Bacillus anthracis* is a microscopic bacterium found in huge areas of the world including the Middle East. It lives in soil. It infects sheep and cattle. It infects people who work with fleeces and hides. It was sometimes called Woolsorter's Disease.

How long does it take to kill? Inhaled enough and the symptoms appear in 24 hours. By that time, you will need intensive care to survive, and 65 per cent of untreated cases die.

How? In pulmonary or inhalation anthrax the little beast settles in lymph nodes and produces

a toxin which leads to necrotic haemorrhage. The lungs give up and other organs may fail. A less serious cutaneous form of infection leads to lesions and possible blood poisoning.

Would the bug be easy to deliver? After 1991, Saddam Hussein was found to have prepared missiles to deliver the spores. But an aerosol spray would do it. Once at large in a population, the disease would spread anyway. But any terrorist who prepared the weapon would be at risk too.

Could you hide anthrax in duty-free goods? You could hide a lethal dose in just about anything. A clump of 10,000 spores of anthrax would be invisible.

Are there automatic detectors? US weapons laboratories claim they are working on

high-speed chemical and biological warfare agent "sniffers" but at the moment even the fastest tests require expertise, a laboratory and time.

Are there treatments? Get in quickly and penicillin usually works. Vaccination involves a series of shots over 18 months for full protection.

Is Iraq now the only threat? China, Taiwan, North Korea, Syria, Egypt, Iran, Cuba, Israel, the former Soviet states, the USA and Japan have all been suspected in recent years of maintaining bacteriological warfare programmes. The technology is within the reach of any economy, however small.

What can be done? For two decades, campaigners have been urging for a chemical and biological warfare treaty.

Tim Radford

Stephen Lawrence murder case police were 'racist'

David Pallister

RACISM permeated the police investigation into the murder of 18-year-old black teenager Stephen Lawrence, the public inquiry into the affair was told yesterday.

On the first day of the three-month hearing, Michael Mansfield QC, the Lawrence family's lawyer, said that the five white suspects — who called their gang The Krays — could have been arrested within a couple of days of the killing.

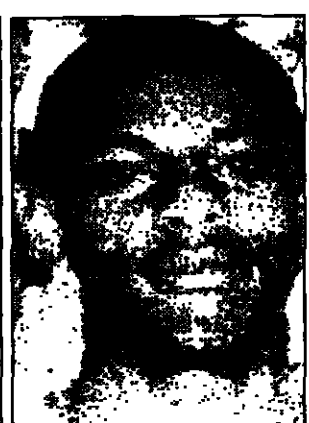
He said the failure of the police to follow up leads speedily amounted to "criminal negligence", and could not be explained by incompetence or lack of resources.

"So much was missed by so many that deeper causes and forces must be considered," he said. Linking the killing to the racism murders in the American Deep South 50 years ago, Mr Mansfield said: "Stephen's teenage killers and their friends and relatives all felt safe in what they did and in the knowledge of what they did."

Stephen was stabbed to death one evening in April 1993 while waiting for a bus in Eltham, south London. The five youths, some of whom had a history of knife attacks, were arrested two weeks later but were never prosecuted, apparently for lack of evidence. Informants named them as Jamie Acourt, 21, his brother Neil, 22, Gary Dob-

'So much was missed by so many that deeper causes and forces must be considered'

Michael Mansfield, QC, commenting yesterday on the police investigation of the killing of Stephen Lawrence (right) in April 1993



son, 22, Luke Knight, 20, and David Norris, 21.

Three were sent to trial when the family mounted a private prosecution, but that collapsed. Norris and Jamie Acourt could still face criminal proceedings. Last year an inquest jury found Stephen had been murdered in an unprovoked racist attack.

The inquiry, delayed for a week because of criticism of the chairman's past work on race-related cases, opened with statements of support from Sir William Macpherson's three advisers. There followed a minute's standing silence and a prayer from one of the advisers, the Rev Dr John Sentamu, Bishop of Stepney.

Mr Mansfield said an official inquiry into the police investigation by Kent Constabulary had exploded Scotland Yard's official position that

there was nothing wrong with the original police efforts, and a wall of silence in the community had prevented them collecting sufficient evidence.

"Twenty-six people had identified the youths. He said it 'begged belief' that an internal Scotland Yard review of the case in 1993 by Det Chief Supt Roderick Baker had concluded that the investigation had 'progressed satisfactorily and that all lines of inquiry had been correctly pursued'."

Mr Mansfield went on: "There is now overwhelming evidence that the police squad was provided with a wealth of particular information about the suspects." He said that racism, conscious and unconscious, permeated the investigation.

He said the single, most disastrous failure was not

following up very detailed information about the youths from an informant the day after the murder.

Mr Mansfield revealed that the police investigation is still continuing after being presented yesterday morning with a new five-page statement from a witness. He said the witness, who could talk of conversations with the suspects before and after the killing, had initially gone to the police but no statement was then taken.

Earlier Edmund Lawson QC, counsel to the inquiry, said the investigation "went very wrong". There were "crass failures and delays in pursuing information, securing forensic evidence and searching the youths' homes. He said the decision not to arrest the gang for two weeks was "seriously flawed".

Jeremy Gompertz QC, for the Metropolitan police, accepted the investigation had "shortcomings". But he denied the officers involved were racist. "It is quite possible to be highly motivated and to try hard, but to get things wrong. That is human nature. It is also quite possible to get things wrong, without being racist."

He said Mr and Mrs Lawrence were planning tomorrow to accuse the police of "corruption and conspiracy" to hide the identities of Stephen's killers.

"There is not a shred of evidence to support these allegations," he said.

As weapons crisis mounted briefings and intelligence leaks increased

Richard Norton-Taylor and Ian Black

REPORTS of a plot by Saddam Hussein to "flood Britain" with anthrax came in the wake of a Government propaganda campaign unprecedented since the end of the cold war.

Official briefings and leaks from Whitehall fed by Western intelligence agencies, including MI6 — about the Iraqi regime increased as the crisis over UN weapons inspectors escalated last month with the prospect of military action getting closer and the Government warning a lack of popular support for bombing.

Earlier reports underlined the importance of the United Nations Special Commission, Unscm, whose inspectors are responsible for searching for Iraq's nuclear, chemical and biological weapons. At first, the Foreign Office took the highly unusual step of

releasing a sanitised assessment

based on a report by Whitehall's Joint Intelligence Committee. It claimed Iraq could, within months and with little risk of detection, build missiles capable of hitting key targets in Israel and Saudi Arabia with chemical or biological warheads.

But Downing Street was impatient with what it regarded as Whitehall's caution. Last month, it edited a detailed background paper into tabloid-style bullet points. It also ordered maps of London, Leeds, Glasgow and other cities with the huge "presidential compounds" Saddam had barred to inspectors superimposed on them.

A briefing paper noted that since the Gulf war, Unscm had "FOUND a huge arsenal", including 38,000 chemical weapons and a factory to produce 50,000 litres of anthrax and botulinum. It added: "Unscm has so far NOT been able to account for ... 17 tonnes of growth media for biological weapons agents — enough to produce more than THREE TIMES the amount of anthrax Iraq ADMITS it had."

Downing Street wanted more dirt, pressing the Joint Intelligence Committee and

MI6 for further information about Saddam's regime. The result, in mid February, was a briefing paper distributed to lobby correspondents which highlighted reports of disaffection with random brutality, corruption, and misdeeds organised by figures close to the dictator.

The paper said that the Government had "received a report from a reliable source that members of the intelligence and the elite Republican Guard have been trying to build links with family members ... so concerned are they that the present round of confrontations might provoke a popular rising".

One passage described the "unit for human butchery", run by Saddam's Special Security Organisation, located behind a Baghdad slaughterhouse belonging to a meat company controlled by Saddam's son, Uday, used to remove the limbs and organs of prisoners for medical use.

Gathering intelligence on potential threats from Iraq has been a top priority since the end of the Gulf war in 1991. Western intelligence agencies rely on information from Iraqi defectors.

According to Whitehall sources, intelligence reports leading to the latest alert are

outdated and probably originated in the period, about six weeks ago, when US and British air strikes against Iraq were looking likely because of the failure to resolve the standoff over UN weapons inspections. Jack Straw told the Commons yesterday that the Home Office received "specific" intelligence which prompted the alert on March 5. The "all ports" alert is said to have been distributed to Customs, police Special Branch, and Ministry of Defence officers, only 13 days later, on March 18.

There is no current information, they say, to suggest that Iraq is contemplating a terrorist campaign against western targets. Indeed, experts say, Saddam's ability to operate abroad has been hit by seven years of UN sanctions and internationally agreed restrictions on travel for Iraqi officials.

Defectors and Iraqi opposition groups have an interest in exaggerating the threat posed by Saddam. Ministers may share the same interest. It is not hard for propagandists to target a regime with a wholly deserved reputation for brutality. Exaggerated reports, more sceptical officials admitted yesterday, were self-defeating.

Love of shopping defeats fear of death as British carry on buying

Amelia Gentleman

THE British are extremely fond of their duty-free. The appeal of cut-price alcohol and cigarettes is so strong that it would take much more than the news that products may have been spiked with the deadly anthrax bacteria to deter British tourists in search of a cheap deal.

Most travellers at Heathrow airport yesterday were determined to stock up on tax-free goods, wholly unmoved by reports that the Iraqi leader Saddam Hussein was threatening to smuggle the toxin into the country disguised inside bottles of spirits, cosmetics, cigarette lighters and perfume sprays.

"I'm not the slightest bit concerned — Saddam Hussein is all mouth and no trousers," said Barbara Flairg from Devon as she



Shoppers throng a duty-free outlet at Heathrow yesterday

checked in for her flight to South Africa.

Michael Durkin, a businessman from Texas, said he went in search of cheap French red wine. "I'm far more concerned about IRA terrorist attacks than

about the risk of dying from anthrax poisoning."

Only a small handful of tourists would admit that fear of anthrax poisoning had put them off their quest for duty-free bargains.

Brian Haulan, who was

travelling back to Devon from Antibes, emerged from customs clutching a box of cigars. He admitted he had decided against buying perfume or alcohol because of his concerns.

And London businessman John Hughes said he would steer clear of the airport shops because he had read about the damage just one teaspoon of the bacteria could cause. "I understand anthrax poisoning is a very nasty way to die. I won't buy anything until I find out more about the risks."

But these anxious few were outnumbered by the majority whose love of tax-free shopping overcame their concerns.

A spokeswoman for BAA, which owns many of the duty-free outlets at Heathrow, said: "Even if this story is true, it wouldn't affect duty-free branches in Britain ... it's business as normal as far as we are concerned."

'Phileas Fogg' pilot fights for his life in French hospital

THE pilot of a microlight accompanying the first leg of a round-the-world attempt by two colleagues was fighting for his life last night in a French hospital after crashing into an airport building at Le Touquet on the French coast.

Phil Good, an experienced pilot in his 40s, suffered serious head injuries in the crash, which happened at about 12.30pm. His wife, Heather, and his son are at his hospital bedside in Lille.

The accident occurred as Mr Good, from Baldock, Hertfordshire, was setting off back to Britain with a convoy of 33 other microlights which had crossed the Channel to see Brian Milton and Keith Reynolds continue in GT Global Flyer on their Around the World in Eighty Days flight.

The pilots had earlier yesterday set off from near Weybridge, Surrey, in an attempt to recreate Phileas Fogg's epic journey in the Jules Verne's novel.

Simon Newlyn, publicity director for GT Global Flyer, said: "Mr Good was starting his aircraft to return to England when it appeared to reach full revs and run out of control. The microlight hit another aircraft on the tarmac and crashed into an airport building."

A witness at the airport said the microlight crashed through the glass windows of the passport control building. Mr Good was taken to hospital in Breck with serious

head injuries. He was then transferred to Lille.

Mr Good was taken to Luton airport under escort yesterday afternoon and flown to France in a private jet.

Mr Newlyn added: "We are deeply sorry that such a thing should have happened after such a successful launch. The accident happened shortly after Mr Milton and Mr Reynolds had taken off on the second leg of their round-the-world attempt."

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Guardian



Anne Dudley, Oscar winner for The Full Monty's score

'Forget those charming little dramas that pour out of the British Isles. This was a competition for the big boys'



Best actress Helen Hunt and best actor Jack Nicholson with the Academy Awards they won for their roles in As Good As It Gets. PHOTOGRAPH: MARK J. TERRILL

Titanic sinks British Oscar hopes

Don Glaister
Arts Correspondent

IT WAS a night of disappointment for the British contenders and jubilation for the biggest movie ever made. As expected, the film Titanic failed to hit any icebergs at Monday night's Oscar ceremony. Instead, James Cameron's film took 11 Academy Awards, to rank with Ben Hur as the biggest Oscar-winner in history. Titanic missed out on three of the 14 Oscars for which it was nominated, including Kate Winslet for best actress. She lost out to Helen Hunt, for her role in As Good As It Gets. The American's victory meant that although four British actresses were nominated, none won an award. Asked if she was disappointed, Dame Judi Dench said: "No, I am not. I expected this to happen. I am just thrilled to be here." Kate Winslet said: "I'm thrilled for Helen Hunt. I am thrilled for Titanic. I am thrilled for Jim Cameron."

Only Katharine Hepburn has won four, and only Ingrid Bergman and Walter Brennan have won three. There was some joy for the Britons: The Full Monty, nominated for four awards, including best picture, won one for best original music. Composer Anne Dudley, formerly of pop group The Art of Noise, collected the award at the ceremony in Los Angeles. Another British victor was Jan Pinkava, winner of the best animated short film category for Gert's Game. Briton Peter Lamont also won one for art direction on Titanic. The scene was set for a Titanic night with the opening comments of the ceremony's presenter, Billy Crystal. "Good evening and welcome to the Titanic," he said. "We're just like the Titanic: we are huge, we are expensive and everybody wants us to go faster."

The victory for James Cameron's film — at £125 million the most expensive ever made, and with box-office takings of £200 million, the highest — followed recent victories by independent films, notably last year when the independents led by the English Patient took all but one of the main awards. Titanic's success is a flip

Full Monty supporters find pride despite hopes being stripped away

Martin Watkinson

IT WAS NOT the fall of Monty, or anything like it, but Sheffield was savouring its own brand of satisfaction at dawn yesterday with the local lads' (or strictly lass's) solitary Oscar. The fact that once again the flower of Yorkshire had been somewhat dashed by vast impersonal forces — in this case the plump Academicians and the Titanic — sat nicely with the comic film's plot and the timeless tradition of Tykes fighting pluckily against the odds. "And don't forget, it is a real success," said Jenny Pupins, after yells, shouts of "yesssss" and much punching of the smoky air in Shire Green working men's club, where the key-note male-stripping scene was shot. "When they were making The Full Monty, no one was remotely talking Oscars. It was just another low budget film being made in Sheffield, and that's something that's now happening here all the time."

The good news of Anne Dudley's triumph, weaving together strident, weaving together like Hot Chocolate's You Sexy Thing and Tom Jones's You Can Leave Your Hat On, came via a 21-inch sitting room TV perched on the edge of the Shire Green stage. Circling round it, satisfactorily homespun for the visiting US television crew, film extras and club members telephoned doom to their multi-million pound American rivals. Terry Green, secretary of the Shire Green club, was getting ready to see the film for the 16th time, and not just because his daughter Samantha — on her duty last night — was one of the crowd in the final, climactic scene. "So were a great many of the women of Sheffield," said one of Mr Green's punters, amid discussion of how the Oscar statuette was not unlike the bit which the filmgoers did not, in the end, see. More Montyish scenes were under way at the Asda supermarket off Rother-



Oscar night at Shire Green club, where The Full Monty was filmed. PHOTOGRAPH: TREVOR SMITH

ham Road, where a chaste performance by the Stocksbridge brass band was followed by a nocturnal fashion show, aping the theme of the film. The city laid on a properly ethnic mixture of drizzle and chill as dawn progressed, and a Finnish TV crew began a reconnaissance of The Full Monty Tourist Trail, which will be launched at the travel show

in Birmingham's national exhibition centre today. Rolling up the blinds at the Yorkshire Screen Commission, scene of another all-night party, Fiona Kaye began sorting details of LA Without A Map (shot in Bradford and Los Angeles). Among Giants (Yorkshiremen climb electricity pylons) and other pending successes from the county's film-makers.

"It was maybe a bit of an anti-climax — we got all worked up after winning that Oscar early on," said Peter Price, city councillor for Handsworth, where the Shire Green club stands. "But it's done a lot of good for Sheffield, this film, and especially for the likes of the Shire Green. It gives everyone a lift to know that it's now famous all over the world."

Private details in bank bin bags

Investigations launched over alleged lapses in confidentiality

Vikram Dodd

THREE of Britain's biggest banks last night launched an investigation into allegations that they had left confidential company and customer information lying around in rubbish bags on the street. Lloyds, TSB and Midland said they would look into the claims in Punch magazine. Two of its journalists rifled through bin bags left outside branches across Britain and found unused cheque books, debit cards, branch security codes, customer account balances, home phone numbers and other personal details. Seven banks were asked what special precautions they took to dispose of unwanted confidential records and documents.

Lloyds, TSB and National wide said such material was shredded. Midland, Halifax, Barclays, Nat West and Royal Bank of Scotland said they all took special precautions. At the TSB's branch in Kilburn, north London, the bin bags contained print-outs of the cheque payments in and out of 637 named accounts. There were also print-outs of 60 customers' overdraft limits, several bank statements, specimen signatures and a valid cashpoint card. At Barclays branch in Baywater, west London, the rubbish contained print-outs of thousands of customers' account numbers, balances and agreed overdraft limits. There were also details of income from torn up loan application forms. Outside the Royal Bank of Scotland in Knightsbridge, the rubbish contained a customer's name, account and

his balance. Outside their Curzon Street branch in central London, was the bank's internal directory, including the chairman, Lord Younger's direct lines. Rubbish from the outside of a Midland branch in Anglesey, North Wales, yielded personal mandate details and the customer's name, and two credit cards with the magnetic strip still intact. Outside Midland's branch in Haslemere, West Sussex, were a customer's Switch card and copy of signature, and copies of another customer's National Insurance card. Outside Nat West's branch in Jermyn Street, central London, were a company's confidential details. A report gave a breakdown of its trading performance, income, management costs and projected profit and loss accounts for the next decade. James Sten, editor of Punch, said: "The banks told us that confidential information was shredded. That is absolute nonsense. Their assurances are worthless. It's a farce and a scandal. Any fraudster or crook can go to a bank, remove a bin-bag and find out secret information about its clients."

Brian Capon, spokesman for the British Bankers' Association, said breaches of confidentiality broke the law and the banking code which all banks have vowed to uphold. He said: "We are very concerned and this is immensely serious." Marianne Kemp, spokeswoman for Lloyds and TSB said an immediate investigation was being launched and stressed that maintaining customer confidentiality was a high priority. She said: "This shouldn't happen. Customers' details should not be compromised." Adrian Russell, spokesman for Midland, said the bank took the disposal of confidential waste seriously, but added that the bank handled over a billion pieces of paper a year.

EU set to accept anti-racism law

Stephen Bates in Brussels

PLANS for Europe-wide anti-racism legislation, partly based on the example of British law, are likely to be accepted by the European Commission in Brussels today. The proposals, put forward by Padraig Flynn, the Irish social affairs commissioner, would provide a framework to outlaw racism and discrimination in jobs, housing, education, sport and media. They are being welcomed by the Government, in stark contrast to its Conservative predecessor which opposed what it saw as EU interference in an area where Britain already had regulations. The EC move is a first attempt to put into force part of last year's Amsterdam Treaty, which contains a clause intended to combat discrimination "based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation".

It is likely to be hotly contested in Europe. Openly racist parties have made big gains in France and Denmark. An EU-wide survey last year found a third of the 16,000 people questioned openly admitting feeling quite or very racist. The commission plan may also open the first breach over an issue of European regulations between Labour and the Tories. After signing up to the EU social chapter's initial regulations on working hours and parental leave, the Government has so far been cautious about accepting any more European intervention in the social field. The document, which could be adopted across Europe by the end of next year, calls for each of the 15 member states to adopt legislation outlawing racism and discrimination in employment and social policy and areas such as sport and the media. It says: "While the prime responsibility for combating racism lies with member states, the transnational

dimension of the problem justifies action at European level." Practice in Europe varies widely, with some, such as the Netherlands, having anti-racist clauses written into their constitutions and others having scarcely any regulations. In France, in areas controlled by the National Front, local officials are removing legislation allowing equal access to minority groups while even in socially-liberal Denmark, openly racist politicians won 10 per cent of the vote in the recent general election with demands for the repatriation of black immigrants. The commission wants to see measures to promote integration of groups such as gypsies, refugees and migrant workers. It suggests EU structural funds might be targeted to improving the integration of excluded groups. It calls for the media to ensure information is free from stereotyping and prejudice.

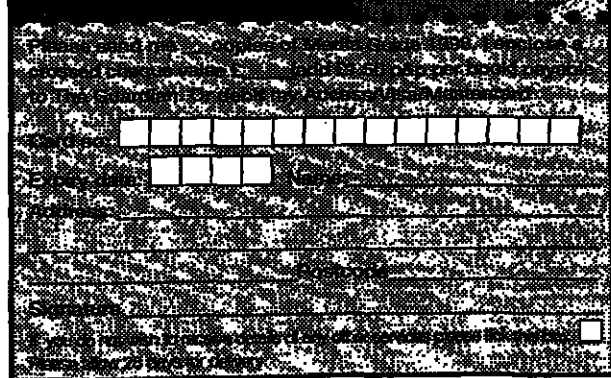
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The Guardian INTERACTIVE



There's always one. And it's always Cher. What on earth was that thing wedged on to her head at Monday night's ceremony? Something akin to a wimple mated with a gold fishnet seashell, perhaps? Style tackles the Oscar evening gowns

G2 page 8

informative:

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6 WORLD NEWS



Riot police stand by after French farmers used tractors to block roads in central Lille yesterday. The farmers were protesting against EU agricultural policy. PHOTOGRAPH: MICHEL SPONLER

Front's Mr Normal eyes Le Pen's crown

Jon Henley in Paris

LAST WEEK the far-right National Front recorded the best election performance of its 25-year history and changed the landscape of French politics. Next week it may well find itself without its founder and president, the blustering old soldier Jean-Marie Le Pen, and most observers believe the party will be stronger for it. A Versailles court will rule on April 2 whether Mr Le Pen assaulted a female Socialist politician during last summer's general election campaign. The state prosecutor has demanded he be imprisoned and barred from holding public office if found guilty. Although appeals mean

any sentence could be stayed off for years, Mr Le Pen will find it hard to stay at the head of a party which touts law and order among its top priorities. "He will have to explain himself on every public appearance," said Michael Darmon, author of a new study of the National Front. "He'll become more and more of a dead weight." Mr Le Pen has not fitted into the Front's future for some time. Popular among the Vichy collaborators, old nationalists and hoary nationalists who form the party's traditional base, his outbursts — arguing, for example, that the Nazi gas chambers are a "detail of history" — are an embarrassment to a younger and more ambitious generation of extremists. Chief among those is

Bruno Mégret, the Front's second-in-command and chief strategist who masterminded the turmoil of the past 10 days. The party, after winning a record 15.5 per cent of the vote, left the classic right in tatters by cutting secret deals with rebel Gaullist and

that Mégret will take over, and sooner rather than later," said Mr Darmon. Educated at the elite Ecole Polytechnique, with an MSc from the University of Berkeley in California, Mr Mégret, aged 48, is the polar opposite of the 69-year-old party president.

Mr Mégret's appeal to voters may lie in his apparent reasonableness, but his racist credentials are impeccable

UDF politicians desperate to cling to regional power. "Mr Mégret wants real power, unlike Mr Le Pen, who Front observers say was ultimately content to remain on the fringes. "At the moment I don't see any other possibility than

Smooth, colourless and a consummate tactician, he was rising up the ranks of the Gaullist RPR party before switching his allegiance in the mid-1980s. He has orchestrated the party's campaigns since 1988 — during which time

it has consistently won around 15 per cent of the vote — and devised the votes-for-cooperation strategy that shattered the classic right last week, placing the National Front at the heart of French politics. "Mégret has basically redrawn the map single-handed," said one political analyst, Jérôme Lambert. "Whereas before, the line was drawn between the Front and the rest, no one is now sure whether it doesn't more truly lie between the left and the right — including the Front."

The damage Mr Mégret was predicting as early as 1990 has been done. "The right has exploded," he said. "Whenever the RPR and UDF play their strategy of aligning with neither the left nor the National Front, the left

wins and the right disappears. The Front is now the true opposition." Mr Mégret's appeal may lie in his apparent reasonableness, but his racist credentials are impeccable. He codified the Front's "national preference" policy in a 50-point list drawing on the anti-Jewish laws of the Vichy regime. The National Front can only become a more effective force with Mr Mégret in control.

"He comes across as a serious man, a modest man," said Mr Darmon. "The message is: we are normal, we are working for you. He's about rigour, discipline, getting results, which is what right-wing voters want. He will appeal to many more of them ... he has a classy background. And he is very, very ambitious."

Serbs defy West with new raids in Kosovo

Jonathan Steele

SERB forces launched new attacks on ethnic Albanian villages in Kosovo yesterday in a direct challenge to the United States-led Contact Group, which meets in Bonn today to decide whether to tighten sanctions on Yugoslavia.

Four Albanians and a policeman died in the fighting, a Serbian official said. The attacks occurred in the Decan area of the Serbian province, at least 20 miles from the Drenica region where raids by paramilitary police killed at least 80 people earlier this month.

In another snub, Serbia's Socialist prime minister, Mirko Marjanovic, ended months of party haggling by forming a government in which an extreme nationalist, Vojislav Seselj, will be a deputy prime minister. Mr Seselj's Radical Party takes an even fiercer line on Kosovo than Yugoslavia's president, Slobodan Milosevic. It took part in some of the worst ethnic cleansing in Bosnia, and he has been branded a fascist by US officials who refuse to work with him. The Radicals will have 15 ministers in the new government, while 35 cabinet seats will go to the Socialists and their electoral partner, the United Left (JUL), led by Mirjana Markovic, Mr Milosevic's wife.

The Albanian-run Kosovo Information Centre in the province's capital, Pristina, accused Serbian police of using heavy weapons in the assaults yesterday and forcing people to flee. The information centre, run by the League for Democracy in Kosovo, the biggest ethnic Albanian party, said police from the town of Pec, north of the villages of Glacocel, Dubrave, Glacocel and Babaloc took part in the mid-morning attacks.

"The villages were sealed off and later the sound of heavy Serb weapons and artillery was heard," it added. "Several houses in Glacocel were set on fire and people abandoned their homes." A Serbian official who refused to be identified claimed the dead Albanians were guerrillas of the separatist Kosovo Liberation Army, and that a large amount of captured weaponry came from Albania, 12 miles away. The Contact Group, comprising the US, Britain, France, Germany, Italy and Russia, told Mr Milosevic two weeks ago to withdraw his special police from Kosovo or face a freeze on Yugoslav assets held abroad. The Serbian government claims its anti-terrorist forces have returned



Vojislav Seselj: Extremist will be Serbian deputy PM

to barracks, but the paramilitaries manning checkpoints in Drenica clearly wear insignia saying "Special Police Units". Although some schools in Kosovo have reopened and bus traffic has resumed, many villages remain cut off or abandoned by their terrified people.

The Contact Group's meeting today will show whether it is softening its line. The French and German foreign ministers, who saw Mr Milosevic in Belgrade last Thursday, seemed inclined to accept his word that the forces have been withdrawn.

Greece expels 500 Albanians

MORE than 500 Albanian immigrants were expelled from Greece earlier this week, Albanian police said yesterday. Ilirian Dida, police chief in the southern town of Gjirokastra, said 510 to 520 Albanian immigrants were brought by Greek police to Kakavie border point on Monday night.

The latest expulsions came amid Greek public anger about surging crime and followed emergency measures by the government to toughen policing. Last night, more than 2,000 police carrying machine guns continued to round up thousands of refugees around Athens.

The government spokesman, Dimitris Reppas, said: "We must not be led to racist and xenophobic attitudes ... but one cannot deny the link between foreigners and rising crime." The public order minister, Giorgos Roumpos, attributed the rise to a recent decision to regularise immigrants. Anyone without correct documentation faces expulsion by the end of May. — Helena Smith, Athens and Reuters, Gjirokastra.

EU protects its China strategy

Martin Walker in Brussels

THE European Union is to start funding village democracy, women's groups and ethnic minority organisations in China, to fend off criticism by human rights campaigners of a dramatic extension of its political and trade links with Beijing.

The first EU-China summit will take place next week in London, when Tony Blair meets the new Chinese prime minister, Zhu Rongji. It will be an annual event, taking its place alongside the EU's summit diplomacy with the US, Russia and Japan.

The new China strategy, which is expected to be approved unanimously by the European Commission today, is also designed to persuade Beijing to help to launch Europe's single currency with a major transfer of some of its \$300 billion (£192 billion) in foreign reserves from dollars into euros.

The report says special attention should be paid to China in promoting the euro to foreign central banks, and Beijing has signalled its readiness to help to establish the currency's credibility.

The 25-page policy document, Building a Comprehensive Partnership with China, says the goal is "to engage China fully as a world partner, smoothing its integration into the global economy, underpinning its economic and social reforms and supporting the creation of an open society built on the rule of law".

The EU decided this month to drop its traditional support for the campaign at the United Nations to condemn

China's human rights record, provoking an angry denunciation by the leading Chinese dissident Wei Jingsheng. To avoid further criticism, the EU has won agreement from the Chinese authorities to start funding grass-roots democracy programmes in China, with a budget of \$50 million, to be run by international non-governmental organisations.

"We think the international pressure on China has worked. In the first six months, with China signing international human rights conventions, accepting the visit of the UN's human rights commissioner and not extending the death penalty to Hong Kong, we have seen more progress on human rights than at any time in years," said one EU official who helped craft the strategy. While EU officials insist the partnership with Beijing is in Europe's interests, they are aware they are playing China's game. Alarmed by the dominance of the US as the sole superpower, China has stressed its formula of "a multi-polar world system". The emergence of the euro and a rival to the dollar and the new EU summits, which put same footing as those with the US, are precisely what China needs.

"Our co-operation with the US is now so good, particularly on the issue of China's membership of the World Trade Organisation, that Beijing cannot pick us apart. There are nuances of difference, so there is a bit of US and EU as 'hard cop' and 'soft cop' towards Beijing," the EU official said. "But it really is in everybody's interests to bring China fully into the world."

Child thieves beaten into stealing up to £6,000 daily

Ian Traynor in Bonn

GANGS of orphans from Romania, trained and beaten into obedience by adult criminals, have stolen millions of German marks as pickpockets over the past two years in north-west Germany, Cologne police said yesterday.

The children were beaten if they failed to steal up to DM3,000 (£1,000) a day, police said. One child was killed, another was maimed by having his legs beaten with a baseball bat, while another was held hostage to force two friends to go on pickpocketing outings.

Police said about 100 children, aged eight to 13, were employed in gangs run by 25 Romanian "bosses". Several of the gangsters have been arrested; the others have either fled or been deported.

The break-up of the gangs is the latest police success in tackling underworld exploitation and abuse of women and children. East European and Russian criminals are rife in Germany, with tens of thousands of young women from the former communist bloc being tricked or forced into prostitution.

Police in the same area of north-western Germany last month reported the arrests of 16 men — Germans, Turks, Italians and Albanians — responsible for "an especially sadistic form of sex slavery", who were selling east European women as prostitutes for £1,000 each.

Some of the women were kept captive for months and repeatedly raped and beaten. Police yesterday said the child pickpockets were taken from orphanages in eastern Romania or bought from their families. The gangsters sought out blond children who appeared particularly innocent. They were smuggled into Germany via Poland.

Papon 'is fighting to regain his honour'

Paul Webster in Paris

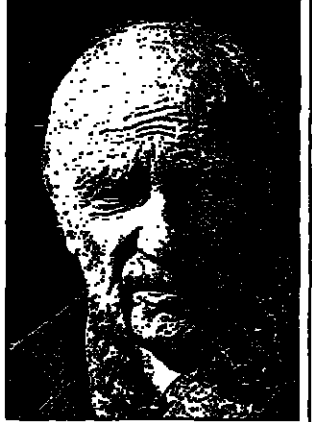
MAURICE PAPON'S defence counsel, Jean-Marc Varaut, yesterday began a three-day plea to the jury in Bordeaux to acquit the former Vichy official of crimes against humanity as his six-month trial neared its end.

Mr Varaut said his client, aged 57, should be cleared of involvement in the deportation of 1,580 Jews when he was in charge of Jewish affairs in the Atlantic port between 1942 and 1944.

The barrister condemned the "abominable" crimes of Philippe Pétain's war-time collaborationist regime, but said his client had helped Jews to escape being sent to death camps and had worked in the Gaullist resistance movement.

Mr Papon will speak in his own defence before France's longest-running post-war trial ends on Friday. A verdict is expected on Friday night. Originally, the hearing was due to end just before Christmas but was delayed by adjournments caused by Mr Papon's poor health and procedural arguments.

When the defence replied to



Maurice Papon: he will speak in his own defence

accusations that Mr Papon was a cynical civil servant who thought only of his career, one of his lawyers, Francis Viallemin, aged 29, said none of the defence intended defending the anti-Semitic policy of Vichy which remained a stain on the country's history.

He added that the prosecution had failed to show that Mr Papon was anti-Semitic or pro-German, key elements in proving complicity in Nazi genocide. He accused the

prosecution of failing to make clear whether the trial was intended to judge the Vichy official or provide a framework for a history lesson.

Mr Viallemin said the court had been taken by surprise because Mr Papon had refused to remain silent like Klaus Barbie, the Lyon SS chief, and Paul Touvier, the Vichy militia officer, who both got life imprisonment at their trials for crimes against humanity.

"We have seen an astonishing fighter of 87 years of age," Mr Viallemin said. "What is he fighting for? He wants to regain his honour before he dies."

The hopes of human rights organisations that the trial would focus public opinion on the dangers of extreme right-wing policies have been dashed by the success of the racist National Front in recent regional elections. Opinion polls have also shown that the impact has been disappointing.

Yesterday, the newspaper Liberation showed that 52 per cent of the electorate believed the trial had not been useful, while 62 per cent said the prosecution had not clarified Mr Papon's role during the Occupation.

Lions, tigers, panthers, snakes... the Mafia is at home with them all

John Hooper in Rome

TWO raids this month targeting the gang war in Naples have spotlighted one of the least known peculiarities of the Godfathers of crime — their enthusiasm for exotic animals.

On Monday, paramilitary carabinieri removed a fully grown lion from the Naples villa of a jailed senior member of the city's Camorra, Raffaele Brancaccio. Police had earlier found a leopard in a garage belonging to Vincenzo Mazzeo, the son of a recently assassinated gang boss.

"A passion for keeping exotic pets has always been

widespread among crime bosses," said an authoritative recent report by the environmental group Legambiente. "Among the most popular are tigers, panthers, lions, snakes and bears." The Mafia is behind much of the illegal trade in Italy, it said.

Naples has an extensive unlicensed market, the Marina, at which wild birds are sold openly, among them goldfinches, hawks, falcons and rare tropical parrots and macaws.

Until he was jailed last year, Brancaccio had kept a large aviary of exotic birds near the entrance to his villa. In 1994, police confiscated a macaw — one of the most endangered species.

Organised crime is also believed to be behind a string of illegal shooting estates, structured around tiny artificially-created lakes near the coastline north of Naples. Small buildings, some equipped with beds, chairs and stoves, enable the hunters to hide in comfort during out-of-season shooting, especially during the spring migration. They rent for between £3,500 and £7,000 a season.

"Drawn by electromagnetically-operated acoustic lures and live decoys tied in the water, the birds come down to rest and are met with a barrage of shot," the Legambiente researchers said.

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Yeltsin parades young blood

James Meek in Moscow

RUSSIA'S television screens were filled yesterday with a parade of unfamiliar but confidently something leaders. At the same time the political establishment began to come to terms with the possibility that a fundamental shift of generations was under way and president Boris Yeltsin really intended to make unknown Sergei Kiriyenko, aged 35, his prime minister.

While the previous incumbent, Viktor Chernomyrdin, said an emotional farewell to staff at the White House, Mr Kiriyenko held intensive consultations with politicians and bureaucrats across the spectrum. He said Mr Yeltsin had given him a week to form a new government to replace the one unexpectedly sacked on Monday.

Mr Kiriyenko's people began to take over the desks of Mr Chernomyrdin's staff but the prime minister's office itself will not fall until

the end of the week. A note of caution was sounded by Mr Kiriyenko when he said in interviews last night: "Nobody said that it will be my candidacy the president puts forward."

He added: "My job is not to make certain people like me or to get through the Duma, my job is to put forward candidates for government posts. If I succeed in that, I'll consider my duty done."

The speaker of the lower house of parliament or Duma, Gennady Seleznev, said after meeting the acting prime minister: "For the time being he's an enigmatic figure and I can't say, a priori, that the majority of deputies would

confirm his candidacy. But I can't say they would turn it down either."

No sign one way or the other came from the president himself, although it emerged yesterday that Mr Kiriyenko had caught Mr Yeltsin's eye as long ago as 1994, when he had been the head of a commercial bank in Nizhny-Novgorod.

Speaking at the televised opening of a meeting with the

ex-finance minister, Mikhail Zadornov.

A further sign that Mr Yeltsin really intended to offer Mr Kiriyenko to parliament came when it was reported yesterday that the acting prime minister will greet the German chancellor, Helmut Kohl, and the French president, Jacques Chirac, when they arrive in Moscow tonight for a summit.

Attention is beginning to focus on the Duma. If it rejects his prime ministerial candidate three times, Mr Yeltsin can dissolve parliament and call fresh elections. There has been much speculation that the president could deliberately offer parliament an unacceptable candidate, hoping to reap the advantage of a temporarily Duma-free Russia.

It is not clear whether Mr Kiriyenko or anyone else would be that candidate. Despite much bluster and bombast from the Communist and nationalist majority in the legislature, they have climbed down so often that the young pretender may yet win through.

If the Duma rejects his candidate three times, Yeltsin can dissolve parliament

But there was no sign of an obvious alternative to Mr Kiriyenko's candidacy. One previously tipped name, liberal leader Grigory Yavlinsky, said he had not been asked to join the new government.

The speaker of the lower house of parliament or Duma, Gennady Seleznev, said after meeting the acting prime minister: "For the time being he's an enigmatic figure and I can't say, a priori, that the majority of deputies would

heads of his administration, the Russian leader praised two members of the former government, the defence minister, Igor Sergeev, and the foreign minister, Yevgeny Primakov, virtually guaranteeing they will remain in the new cabinet.

But Mr Kiriyenko is almost certain to keep like-minded, young, economically liberal ministers on his list, such as the former deputy prime minister, Boris Nemtsov, and the



Seemingly unmoved by the upheaval going on around him, a youth skates at the Kremlin yesterday. PHOTOGRAPH: OLEG NIKSHIN

Press sees money behind madness

Tom Whitehouse in Moscow

IF Boris Berezovsky, the tycoon who allegedly pulled President Yeltsin's strings, ordered Monday's Kremlin re-shuffle, the newspaper he controls was being coy about it yesterday.

"In his inimitable fashion, Boris Yeltsin has exploded the political situation," wrote Nezavisimaya Gazeta, dismissing "gossip about the Kremlin's head being manipulated". The paper asserted: "The president has carte blanche to appoint who he likes."



Moscowites buy newspapers full of conspiracy theories

But the tabloid Moskovsky Komsomol, which is close to one of Mr Berezovsky's rivals, the Moscow mayor and presidential hopeful Yuri Luzhkov, had no doubts about who was the main manipulator.

Next to the headline, "Which Devil Mailed Yeltsin?", it published a photograph of the president with a demonic-looking Berezovsky superimposed behind his shoulder. It blamed Mr Berezovsky for Monday's "coup d'état" and said his Sunday evening television interview, in which he roundly condemned the soon-to-be ousted government, was suspiciously presidential.

"Everyone has seen Boris

Yeltsin as a monkey repeating the words of Boris Berezovsky," the paper said.

The Russian media are a key battlefield in the permanent Kremlin power struggle. Editors dish dirt on their bosses' rivals in the hope of swaying the outcome of juicy privatisations. The reporting of Monday's government dismissal reveals how the bidders line up for the next carve-up, the sale of Russia's last big state-owned oil company, Rosneft.

Russky Telegram, controlled by one of Mr Berezovsky's rival tycoons, Vladimir Potanin, reported that the main reason for the sacking of the prime minister, Viktor Chernomyrdin, and his deputy, Anatoly Chubais, was their rejection of the terms under which Mr Berezovsky wants the Rosneft sell-off to take place.

He [Berezovsky] secured Chernomyrdin's resignation for his own reasons. The main one being his dislike of Chernomyrdin's conditions for the sale of Rosneft," the paper wrote.

After seeing Mr Chernomyrdin on Saturday and failing to get a better deal, Mr Berezovsky told Mr Yeltsin of his displeasure, Telegram said.

By implication, Mr Potanin's prospects of winning Rosneft are now diminished. Rosneft's new owner will be able to use its wealth to bankroll a presidential candidate in 2000, when elections are due, or sooner if Mr Yeltsin's health finally fails him.

The new president should then reward his backers' support with the type of favours — loans and knock-down privatisations — Mr Yeltsin has given Mr Potanin and Mr Berezovsky during his reign.

Telegram did not repeat the rumours, expressed in several rival newspapers, that Mr Chubais was Mr Potanin's Kremlin stooge. But it did proudly report its apparent consolation prize: one of Mr Chubais's alleged sins during the 1990s war to end the awarding of a lucrative government contract to his main bank.

Film recalls Briton's heroic rescue of Jewish children

Kate Connolly in Prague

ABRITISH man who saved hundreds of Czech child refugees in the run-up to the second world war has made his last journey to Prague to make a documentary film about the rescue operations he planned from Hampstead in London.

Nicholas Winton, aged 89, organised six transports in 1939 which took 684 mainly Jewish children to families in London and Stockholm. A final train that was due to leave Prague on September 1 never did after war broke out the same day. None of the 250 children survived.

Those who were saved included British film director Karel Reisz — he made the French Lieutenant's Woman — CBC correspondent Joe Schlesinger and Dagmar Simova, the cousin of the United States secretary of state, Madeleine Albright.

Mr Winton's work went unrecognized for half a century. He did not even tell his wife. About 10 years ago he met 140 of the children, living all over

the world, for the first time since they fled Prague.

The story of their rescue is to be told in a British-Czech television documentary, co-produced by Phil Jude and Matej Minac. It will be filmed in 10 countries and is to be released next year.

During six days in Prague, Mr Winton will help to reconstruct events including the departures from Wilsonova station as parents waved their children off for the last time. He will also help to recreate scenes at the hotel on Wenceslas Square where parents went to plead with him to take their children to safety.

Mr Winton, whose achievements have been compared with those of Oscar Schindler and Raoul Wallenberg who helped thousands of Jews escape from the Nazis, dismissed his actions as "a very small part of my life".

He said: "I am grateful and proud to have been a part of it and I am only sorry that we did not manage to get the last transport out," he told survivors at a reunion at the Jewish Centre.

Clinton in Africa



President Bill Clinton and President Yoweri Museveni are greeted by dancing children in Mukono

Millions of US dollars promised to schools

George Ross in Mukono and Diana Cahn in Kigali

VISITING a Ugandan primary school with dirt-floor classrooms, President Bill Clinton yesterday pledged \$120 million (around \$90 million) in aid for African schools to train more teachers and to connect children to the Internet.

The United States president also promised more aid to combat malaria and to increase food production.

"We want to do these things in education, health care, agriculture and nutrition because they will help you and because we want to see the lights that are in these children's eyes in their eyes forever," Mr Clinton said.

He said a million African children die each year of malaria and he pledged an addi-

tional \$16 million to combat the mosquito-borne disease.

Clad in bright pink uniforms, schoolchildren scanned the president as he walked through the primary school grounds as drummers pounded percussion music where he was speaking.

Before visiting the school 20 miles outside Kampala, Mr Clinton met the Ugandan president, Yoweri Museveni, to discuss ways of stabilising neighbouring countries, including Rwanda and Burundi.

The discussion about African security was at the core of Mr Clinton's agenda of promoting economic trade, education, democracy and human rights in Africa during the first visit by an American president in 20 years, the White House said.

A day before Mr Clinton visits Rwanda, plans for his brief stopover hit a political snag yesterday, when officials

said the president will not, after all, lay flowers at a genocide memorial.

The Americans say he never planned to lay the wreath. The Rwandans, who have been frantically constructing the monument since Mr Clinton decided to add Rwanda to his tour of six African states at the last minute, say they feel betrayed.

"This was supposed to be the highlight of the whole visit here," a senior Rwandan official said.

The monument, a concrete and ceramic sculpture containing bones, skulls, and the killing tools of the 1994 genocide, hit controversy even before arrangements were made for Mr Clinton to approach it.

Some Tutsi survivors of the Hutu-organised slaughter call it an empty gesture. — AP.

Aid crisis, page 12

Abacha holding ace despite Papal attack

Alex Duval Smith reports from Lagos on an ambiguous visit

AFTER three days lambasting the regime of General Sani Abacha and calling for human rights improvements, Pope John Paul II has departed leaving a climate in which all sides in Nigeria — pro-democracy campaigners, opposition politicians and even the military regime — are patting themselves on the back.

The Pope called for the release of 60 political prisoners during a very political visit, but foreign and Nigerian observers are sceptical about the trip's real impact on the crisis-ridden country. "The human rights people feel their voice has been heard, some of the opposition politicians have had several days of exposure and the generals feel the presence of the Pope, a great man, has reinforced Nigeria's position as a great nation," said Lindsay Barrett, a columnist for the Vanguard newspaper.

Other observers, including business people and diplomats, felt Gen Abacha could capitalise on the visit unless Europe and the United States headed advice from the exiled Nobel prize-winning author Wole Soyinka and made new investment conditional on real progress towards democracy.

Nigeria, in dispute with the International Monetary Fund, is not receiving foreign credit. But investors from abroad, especially French oil companies and German construction firms, are increasing their presence.

One foreign diplomat said international critics of Gen Abacha, who has been in power for five years, have misunderstood the nature of Nigerian politics.

"The Americans say he never planned to lay the wreath. The Rwandans, who have been frantically constructing the monument since Mr Clinton decided to add Rwanda to his tour of six African states at the last minute, say they feel betrayed."

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Some Tutsi survivors of the Hutu-organised slaughter call it an empty gesture. — AP.

cause opposition figures enjoy a wide airing in an outspoken press, is actually one of polarisation and disillusionment.

It leaves businesses, including many foreign investors, apparently complicit in corrupt practices. It leaves some 150 million Nigerians grateful for any leader who can keep order amid the power, fuel and water shortages. And it leaves 150 journalists, lawyers' union leaders and opposition leaders in jail.



Among the prisoners is Moshod Abiola, the presumptive winner of elections in 1993. His name is on the Vatican list of detainees and the real test of the Pope's visit will be whether Mr Abiola is freed.

Gen Abacha, who has been in power for five years, has been imprisoning serious contenders ahead of elections in August. The polls are part of his pledge to switch to civilian democratic rule by October.

Mr Barrett said: "No one expects Abiola to be freed. He would provide a serious challenge to Abacha winning the elections. Most likely, some detainees will be released, but not the high-profile names."

Gen Abacha — who has not yet announced his intention to stand in the elections — has created new parties which he theatrically pledged for his self-succession.

Among them is Youth Earnestly Ask For Abacha

(YEAA), a grouping which is staging a series of rallies under the banner of "2 million-man march". Despite the presence on marches of several footballers from the Super Eagles, the national team, turnout has reportedly been low. Opponents say YEAA's marchers are paid.

The opposition is divided. The strongest potential challenger among them is Gani Fawehinmi, Mr Abiola's lawyer, who has been jailed many times. But he has not

yet declared his intention of standing for president.

Another opposition figure is a police chief from the 1980s, Dikko Yusuf, who has announced his candidacy on the platform of the Grassroots Democratic Movement. A democrat, he may however suffer from having had a long political career.

Gen Abacha and the military, which appears to be solidly on his side, have emerged relatively unscathed from the marathon of Papal masses.

And Gen Abacha has an ace up his sleeve. The regime continues to make much of Nigeria's leading role in Economic Community for West African States force which last month restored Sierra Leone's elected government. After that, what could be better than a further footballing triumph? If the Super Eagles do their stuff at the World Cup in June, it could be the answer to the general's prayers.

News in brief

UN quits after Afghan attacks

The United Nations withdrew all its international staff from south-western Afghanistan yesterday after a series of assaults on its members, writes Richard Galpin in Islamabad.

In the most recent incident, the UN says a staff member was hit in the face by the governor of Kandahar.

Its withdrawal will halt food aid to more than 100,000 civilians.

Ortega challenged Former Nicaraguan president Daniel Ortega's stepdaughter, aged 30, has challenged him to give up his parliamentary immunity and defend himself in court against her claims of sexual abuse. Phil Gunson, Latin America correspondent, writes. The sociologist, who is the daughter of Ortega's wife, Rosario Murillo, stunned Nicaraguans on 2 March with the allegation that her stepfather began abusing her when she was 11.

Mr Ortega has not specifically denied the charges.

Indian Speaker India's Hindu nationalist gov-

ernment outmanoeuvred its opponents yesterday to push through its choice for parliamentary Speaker, Suzanne Goldenberg in New Delhi writes. Ganti Mohana Chandra Balaoglu, aged 47, a Dalit (formerly untouchable) lawyer, is a relative political novice.

Espionage trial A former Israeli army tracker was charged with espionage yesterday for stealing a lorryload of weapons and handing it to Palestinian intelligence. The equipment included machine guns, shoulder-fired anti-tank rockets and ammunition. — AP, Jerusalem.

War crime arrest Bosnian federation police said yesterday they had seized the second Serb war crimes suspect in two days. Dragan Petic was arrested on Monday for alleged war crimes in the Sarajevo municipality of Hadzici. — Reuters, Sarajevo.

Brief encounter A gorilla aged 28, released into a cage to mate with three females at a zoo in Kyoto, Japan, promptly dropped dead of a heart attack from excitement. — AP, Tokyo.

online

Every Thursday in the Guardian

Comment

Diary

Matthew Norman

ASTRONG contender emerges in the race for the title of the most honest of the Tidy Britain Group, and is headlined "Chewing gum — what's being done?". Much is being done, it seems, thanks to the partnership of the group has formed with the Wrigley Company "to tackle the problems caused by carelessly discarded gum". The aim of the enclosed summary of initiatives, meanwhile, is to "promote good gum disposal", and the partnership has even produced an information pack, entitled "Become an authority on gum". This is all right for gum beginners, perhaps, but the underfunded and hitherto ignored area of scientific research more seriously will rejoice to learn that, in the autumn, MIT is launching a seven-year Applied Gum Mechanics and Astral Gum Disposal Theorem). Our own universities will be quick to follow suit, and we hereby nominate Little Bubble Gum Gum, the former John Gummer, as first occupant of the Wrigley Chair of Elastic Confectionery at Cambridge.

IAM relieved to learn, from the UK Press Gazette, that the seat vacated by Bridget Jones in the newspaper code of practice committee has fallen into safe hands. The new member is Neil Wallis, Miss Rowe's recent successor as editor of the People. Mr Wallis has marked his appointment by issuing an edict to his news desk that what the newspaper really needs is "more shagging stories".

AS part of the BBC's Water Week, the corporation in London, GLR, held a lively debate yesterday morning. It was good to hear Neil Fishpool from pressure group Water Justice putting his case so well in a taped interview, while, for balance, Peter Spillert made a live appearance. Dr Spillert is Thames Water's environment and quality manager, and will be answering questions from the public in a phone-in on Thursday night.

FEARS grow for the safety of Telegraph editor Charlie "Charles" Moore, following the juxtaposition, on his comment pages, of the headline "Boris the Terrible" and a picture byline of the paper's enforcer. On closer inspection, the headline refers to President Yeltsin (not that this will necessarily save Mr Moore from a sound kicking), while the Jackal writes in defence of the former Newscastle directors. Freddie Shepherd and Douglas Hall. The Jackal gainsays the charge of sexism. "The hysterics have forgotten," he writes, "that, in Newcastle, a 'dog' actually means a bit of goer." The Jackal's knowledge of regional argot is impressive. "Wor gaffer's gun out, like," says an unfamiliar voice in his office when we call to commend him. But where is he? "He's gone to Gateshead, like, to see a man about a dog. Oh, and bonny lad... stay lucky."

FOR the urban dog, nothing is worse than being left alone all day while the owner is out, so we salute the man who took Otto, his Boxer, with him when he went to burglar a Stuttgart apartment block. When he fled to a local park on hearing sirens approaching, reports Dogs Today, Otto repaid his master's devotion by leading police straight to the bush in which he was hiding. But that's the point about responsible pet ownership, isn't it? You have to be prepared to make sacrifices.



Titanic – not just an Oscar-grabber but a myth for the 20th century

Jonathan Freedland



"Ha-hah!" giggled Madonna, feigning surprise as she announced yet another Oscar for Titanic. "What a shocker!" That was Academy Award number six and there were five more to go. By the end of a very long evening Titanic's 11 statues had equalled the record set by Ben Hur, making the two epic the most garlanded movies ever made.

The other records Titanic has all to itself. It is the most expensive movie and its most profitable, bringing in an estimated \$1 billion. Its theme song has been a number one single, the soundtrack at the top of the album charts. Its male star is mobbed by crowds, prompting comparisons with the Beatles and even the late Princess Diana, while the tabloid papers report outbreaks of Titanicitis — with punters confessing they have seen the three-hour film 30, 50, even 100 times.

Why is Titanic such a monster success? It's not just the special effects. Waterworld had those and sank under the weight. Nor is it the hefty profits: Independence Day and Men in Black brought in big cash, but Oscar barely nodded in their direction. Winning both commercial and critical acclaim suggests Titanic got something else right, that it somehow went — how shall we put this? — deeper.

Initially it seemed the reverse was true, that the film struck gold (rather than ice) by going shallow. After all, Titanic is not so much a movie as a cartoon. Anyone who has seen Disney's most recent blockbusters will recognise the key ingredients. The cen-

tral characters are a pair of young lovers: Jack and Rose, taking the place of Aladdin and Jasmine or John Smith and Pocahontas. She is the well-heeled daughter of power and stuffy tradition; he is a plucky street urchin, living on his wits and unafraid to break the rules. But that's not all: Titanic respectfully observes two other crucial conventions of the "new fairy-tale" genre.

First is feminism: Hollywood's own, very 1990s creed which insists heroines be not only slim and beautiful but also feisty — rebels against the order which would keep them down. So, like Jasmine and Pocahontas before her, Rose refuses the marriage partner arranged for her. Like both of them, she defies the authority of her parent. And, like them, she aspires to be more than the pretty bride of tales past: the final moments of Titanic include snapshots of Rose's eventual life as a 20th century superwoman — an aviator, explorer, mother and grandmother.

The second Disney-esque rule, honoured by Titanic, is the equation of capitalism with evil. Funny this, coming from one of the world's biggest corporations. Funnier still when you remember that Titanic was made by Fox, which is owned by Rupert Murdoch. But there it is: all the same, the wicked vizier, seeks to destroy Aladdin in his pursuit of boundless treasure. Radcliffe, the villainous Brit in Pocahontas, wants to exploit Virginia's natural resources for personal gain. In Titanic, capitalist avarice is the cause of eventual disaster: it is the money man from the White Star shipping

company who pressures the captain to sail too fast.

Allied to this wariness of big business is a very contemporary concern for the environment. Pocahontas sings a hymn to the forest and "the colours of the wind"; Titanic director James Cameron says his film's message is that "Nature's never going to be dominated". The builders of 1912 believed they could conquer the elements with an unsinkable ship. Now we know, says Cameron, that we have "to work with nature, not against it".

If these are the values of our age — soft feminism, liberal anti-capitalism and a light greenism — then it makes perfect sense that they should inform Titanic. Myths are meant to impart values — and these cartoon-like films are nothing if not myths. Disney have discovered the potential in retelling ancient tales — the Hamlet story in the Lion King, Hercules most recently — while Cameron has shown that the 20th century has produced at least one legend of classical proportions.

THE fable of the unsinkable ship, loaded with the rich and famous as well as the poor and wretched, brought low by a stubborn iceberg, has moved far beyond a mere historical event. Just as versions of Noah's flood exist in almost every culture, so Titanic's story resonates wherever it is told. The passage of time does not weaken its impact, it only makes its entry into universal folklore smoother.

Which is why the fact-checkers and hair-splitters who have highlighted the inaccuracies in Cameron's film

are missing the point. As the last survivors die out, myth becomes far more important than fact. The weekend sale for \$2 million of a replica of the "heart of the ocean" jewel worn by Kate Winslet in the movie is revealing. The piece has no connection with Titanic the ship, only with Titanic the movie — and therefore has a mystique all its own.

The director — who can be more thoughtful than his ex-cruciating. "I'm the king of the world" victory speech at the Oscars — said that in making his \$200 million giant he learned that "history is really a kind of consensus hallucination". It's not what really happened that matters, it's what we all think happened — hence the opening of the film in the present, with a deep-sea crew exploring the wreck of the ship. Instantly Cameron signals that this is no period drama — it is a myth that lives on, right here, right now.

So the Academy did not blunder by lavishing its prizes on Titanic. In the pantheon of the century, it is a kind of accessible, entertaining cautionary tale of the inequality of the classes and the high hopes for technology — both still pressing themes of our time. It reminds us that in 1912 we thought scientific progress would only bring happiness; now, after two world wars and the Holocaust, we know it can lead to death on a terrifying scale. Titanic offered an early warning of the disaster to come but like the ship's crew, most people did not listen. That at least is a lesson, if not a night, to remember.

What Frank is up to

Polly Toynbee



HIGH hopes have been invested in Frank Field's welfare-reform green paper tomorrow. Expect high rhetoric and high-mindedness too — but not much detail. It will be the intellectual framework, eloquent and elegant in Fieldian style, but it won't tell us much more than we already know.

Work for those who can, security for those who can't is the watchword. It will not be driven by cost-cutting — yet the social security bill will be cut as people go back to work (or so it will seem with a bit of deft fiddling of figures by the Chancellor). The weak will be protected, the lost will be found new opportunities. Rights and duties will be balanced in a new social contract between state and citizen.

Field is man who in opposition enjoyed his dual role as a guru of the right and some-thing of a martyr at the hands of the left. He has castigated the present welfare state for the way it demoralises the poor. A high Anglican, he made benefits sound like the devil's work. This (and his Euro-scepticism) is what made him the darling of the Conservatives — and why he was recently invited by the rightwing Centre for Policy Studies to give the second Keith Joseph lecture, the first having been given by Baroness Thatcher. For years he blamed morally corrosive means-tested benefits for encouraging people to display what they can't do, not what they can. The incentives are perverse, the temptations to fraud colossal. Fathers are absolved of their responsibilities knowing the state will shoulder the burden of their abandoned children.

His analysis was devastating. Music to Tory ears, it sounded as if he intended to tear up the welfare state and restore Victorian values by making the poor stand (or fall) on their own two feet. To the left, it sounded as if he'd joined the other side. Of course he hadn't. The kind of solutions he was reaching for were indeed Victorian — but of a very different kind. He delved back to the roots of the labour movement, the old friendly societies, where people paid in together and drew out in time of need.

In opposition all this sounded visionary. (Some were always sceptical.) Could he really find a way to abandon means testing? Could he indeed become a new Beveridge and discover some new universal system that would fund all those in need, without means testing? The fuzzy outlines suggested a very un-Tory huge increase in national insurance contributions.

paper will explain how the state is to bear the brunt of new funded pensions at the same time as paying existing pensions now.

But that's as far as Field's Beveridgean dreams of universal benefits will go. The writing is firmly on the wall for the national insurance system. The contributions agency has been swallowed into the Treasury in preparation for its gradual demise. Affluence testing was no slip of the tongue: eventually (it'll take decades) the rich will lose their pensions and benefits they don't need.

Harman's imprint will appear in the sections on women and work. For all the growing protest at the idea of mothers on benefit working, she remains convinced that most should where they can. It'll never be compulsory, but they may have to attend interviews to be told what's on offer. (Only one in four are turning up for voluntary interviews, but of those who do, one in three get jobs very quickly.)

What of people who can't work? What of those who live in Knowsley where there never will be enough work? The Government doesn't want to talk of them, because now the message is all work. But yes, there will be more for them too, through more child benefit and extra for poor pensioners.

But there are no magic solutions. The benefit system is riddled with insoluble problems: giving money away is not as easy as it sounds. Take poor pensioners: that should



He's finding giving money away to the old and poor is not as easy as it sounds

be easy, you might think. But you could be giving more to a feckless old man who drank his life away, while his thrifty hard-working neighbour with a tiny occupational pension gets nothing. Or look at the generous Working Family Tax Credits, with its gentler tapers. All it's done is to move the disincentive to work harder to somewhere higher up the earnings scale. And how much do you want to subsidise low pay anyway?

Housing benefit is a nightmare, inflating rents and prone to fraud. In the short term, it will be fixed so it doesn't interfere with the incentives in the new Working Families Tax Credit. In the long term, the question is whether it should be replaced by subsidising bricks and mortar to keep rents low. But both systems have serious downsides.

How easy it is to find fault but how very much harder to put it right. What is the ideal? To make all those work who can and treat the helpless well: without scroungers, taxpayers will find it gladly. Impossible, for there will always be glitches, injustices and perverse incentives. It will always be an intellectually fascinating conundrum — for both right and left misguidedly judge society's morality by the way the state runs its social security system. Or at least they imagine the puny levers the state pulls with its benefits regime are key agents for social and moral change. The poor have always borne the added burden of being the symbol of the whole society, the mirror by which society examines its navel. So we can expect a fair dollop of moralising tomorrow, but big words won't make dealing with the mendacious technicalities of the benefit system any easier.

'Planted' intelligence is a war correspondent's nightmare

Anthrax follies

Ed Vulliamy

In Washington

ANY experienced reporter knows the feeling: the man whose suit is smarter than his brain — trying to hide his transparent scheme behind the promise of supposedly succulent but hitherto forbidden fruit — says he has some "information" for you.

Yesterday, a titbit of "information" from the secret services — probably British — had people across the country wondering what to do about the fact that Saddam Hussein may have slipped a droplet of deadly anthrax into that swag they picked up at the duty-free.

It's not the first time that newspapers have been whispered to about Iraqi chemicals in the bathwater, or whatever. This nonsense has been floating around for a while. Now the "information" is plastered across that Murdochian double-

act, the Sun and the Times. Ministers appeared on ITN and Newsnight to applaud the scoop; Downing Street, after chatting to the Sun, briefed accordingly. It was wall-to-wall around the globe on CNN yesterday, despite Jack Straw's concession that there was "no evidence". Quite what we are supposed to do about this undeclared incident in the *air du temps* parifera is unclear, although of course the Sun has a view: get rid of Saddam.

Fair enough — few would disagree with that. But not long ago, the British intelligence agency MI6 was spinning the diametric opposite line, as regards another murderous regime. I was called in to order the previous Conservative government to hear "information" by British spooks over the war in Bosnia. On these occasions, MI6 was peddling an ill-disguised agenda: the Foreign Office's determination that there be no international

intervention against Serbia's genocidal pogrom. British "UN officials" or "diplomatic sources" — usually coy — suddenly offered eager briefings to obfuscate that which was simple: the carnage that was taking place at the time in Sarajevo's marketplace and bread queue.

Their "information" was that the Muslim-led government was massacring its own people in Sarajevo, with sympathy and ultimately help from outside. Sarajevo's defenders were dumb with disbelief; if there was any evidence for this satanic notion, the spooks never produced it.

Indeed, Unprofor reports invariably found that, as usual, Serbian mortars had wrought the killing. But Unprofor's deliberations were tampered with and selectively leaked, so as to drop a little poison into the groundwater of truth. It was quickly realised by the only man who stood to gain from this — the Serbian leader Radovan Karadzic.

The MI6 scheme worked — beautifully. The allegation — off the record, on the QT, hush-hush, old boy — became a clamour, started by the London Independent, and appearing in British, then American, then German and other papers. So these Balkan fuzzy-wuzzles were all as bad as each other after all, just as the FCO had said.

The devil took Jesus up a mountain and offered him the kingdoms below

The Americans have taken a different route on the anthrax material "sent to President Clinton", according to London. A piece on the front page of yesterday's New York Times talks about Iraq "arresting" Dr Nassir Al-Hindawi, architect of Saddam's chemical weapons programme,

whose knowledge is "even more valuable than access to presidential weapons sites" over which we nearly went to war.

The article is by Judith Miller, the paper's intelligence expert, and is billed on the NYT's worldwide wire as "Exclusive: 10.45 pm". It bears all the hallmarks of a good, and strange, spook tip-off.

All this is nothing new, sadly. These planted stories were a staple in Northern Ireland. And broadcaster Jon Snow wrote in this paper, in 1994, about an attempt by the intelligence services to recruit him into trading information.

Facts with the devil never come free. He took Jesus up a mountain and offered him the kingdoms below; he offered Jon Snow a double salary, tax-free. But Jesus had to pay with his soul. Snow with names and numbers of leftwingers in the media.

Both, estimably, refused the deal. But not all journalists do.

Mr Aitken regrets

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ride is



Mr Aitken regrets

Better to face the truth

THERE IS a small swell of sympathy for Mr Jonathan Aitken as the net closes around him. That is understandable and predictable. He rose high in his political career; he made many friends. But for all that, it is right that Mr Aitken should be prosecuted. Remember the facts: with a great public flourish, he announced that he would use the courts of law to establish whether someone had been telling the truth. He is in a weak position to complain if the courts of law are now used to establish whether he was telling the truth. He intended to destroy the careers of the journalists who had been investigating his affairs. He deliberately sought "aggravated damages" and there is little doubt that, had he won his libel case against the Guardian and Granada, he would have been richer by some hundreds of thousands of pounds. That, in blunt terms, would have been money — loads of money — obtained by deception. And remember, too, that he deliberately involved his wife and daughter in embellishing the lies he told the court.

In recent days, the chorus from friends and relations of Mr Aitken suggests that he has suffered enough. One old schoolfriend, Lord Pearson of Rannoch, describes Mr Aitken's journey as "the road to Calvary," an image which might strike some as tasteless. Lord Pearson is a former Lloyd's broker described by even the Daily Telegraph as the "leading voice of the hard Right on the red benches". It would be interesting to learn how far-reaching his

new-found concern for those facing the threat of prison.

His lordship has been busy briefing the press on Mr Aitken's behalf. He has even offered the first explanation of Mr Aitken's deception over the notorious Ritz hotel bill. He told the Sunday Telegraph that Mr Aitken told a "silly little lie" when telephoned by the Guardian at the end of a long day. At the moment the Guardian called he was apparently "exhausted and on the brink of his Cabinet appointment... he wasn't able to go back from that [lie]". This might be persuasive if it bore any relation to reality. Alas, every word of it is untrue. The Guardian did once ring Mr Aitken (in October 1993), but Mr Aitken declined to speak to our reporter, David Pallister, suggesting he put his questions in writing. Mr Pallister duly did so. Mr Aitken replied in writing. The correspondence went on some months. The Guardian did not raise the question of who had paid the Ritz bill until nearly three months later: January 11 — again, by letter. Mr Aitken was not appointed to the Cabinet until the following July. So Lord Pearson could not be more wildly wrong — or misled — in the story he told the Sunday Telegraph. There was no sudden moment of fatigued misjudgement. The chronicle of calculated deception stretched — in writing — over many months.

Nor is this the only deception to have emanated from Mr Aitken and his friends recently. Ten days ago the Times columnist, Matthew Parris, described how he was deceived by the former Minister into writing a misleading account of the trial. And then there is the matter of Mr Aitken's daughter, Victoria. Again, Lord Pearson tells us that Mr Aitken deeply regrets "allowing" Victoria to make an untrue statement to the court — implying that, like

the reaction to the non-existent Guardian phone conversation, this was an impulsive decision. The truth, again, is very different. Mr Aitken's own statement to his solicitors is coldly calculating about how he intended to use Victoria to reinforce his case. At one point that statement reads: "Over the next few weeks Victoria wrote a series of heart-rending letters from [her new school in] Aigion (copies in my files — a reading of extracts from them could be effective with a jury)." From the first photo-opportunity at Conservative Central Office to the final lying witness statement, Mr Aitken relentlessly exploited his daughter. No amount of spinning today can conceal that unpleasant truth.

As the author of a revisionist biography of Richard Nixon, Mr Aitken should know better than most the terrible cost of disgrace. But Nixon appears to have absorbed the lessons of his behaviour rather more quickly than his biographer. When embarking on his memoirs, Nixon told his assistants: "We won't grovel... but we will be one hundred per cent accurate." When Mr Aitken and his friends can learn to confront the truth, they may find a public more willing to show sympathy for his plight.

Bottled rumour

It sniffs of exaggeration

SO WE are not to panic. Customs officers may have been warned to watch out for possible Iraqi attempts to smuggle anthrax into this country. Yesterday morning the story of "Saddam's plot" was on every front page. But by the afternoon the Home Secretary was assuring us that there was no specific threat to the UK, no evidence to indicate that any such attempt had actually

been made, and no evidence either that such an attempt might be in prospect. And from Baghdad came reassuring news of an new atmosphere of cooperation between the UN weapons inspectors and the Iraqi regime. What was it all about?

A number of countries, Jack Straw told the House, had received intelligence reports about possible threats by Iraq to smuggle anthrax. Other sources suggest that this information was gleaned in February while the recent crisis was at its height. It could have been the product of Iraqi black propaganda, designed to destabilise the potential enemy — or of US or British black propaganda, designed to blacken a regime which they were preparing to bomb. Either way, it proceeded by a leisurely route to the Home Office and then to Downing Street, which approved the all-ports warning issued on March 18 just as well that no Iraqi agent decided to slip in a beakful of anthrax in the meantime.

Of course it is no joking matter that Iraq has sought to maintain either the reality or the impression of an unconventional weapons programme since the Gulf War. Though we hope that the UN Secretary-General has changed attitudes as well as prevented a new war by his peace mission to Baghdad, we cannot yet be sure. But Saddam is hardly likely to invite gratuitous retaliation. Anthrax in the duty-free is an implausible tale — even if the Government's favourite tabloid broke the story.

Cordial entente

Le nouveau Blair est arrivé

TONY BLAIR was both brave and successful in venturing to speak to members of the French National Assembly in their own

den, in their own tongue and live in front of the world's television cameras. He was the first British prime minister to do so in living memory. It was, rightly, a good news story even though it would be much better for Britain if speaking publicly in a foreign language wasn't so rare that it was regarded as a news item in the first place.

While the French struggle to stem the anglicisation of their language, Britain is suffering from a form of linguistic hubris: as English becomes the world's second language — or first language in the case of the Internet — the perceived need to learn anything else has been fading. This is wrong because knowledge of foreign languages is still needed for trading, cultural and educational reasons — it is even difficult to get a job as teacher of English as a second language without being conversant in the first language of the pupil. Economists argue that European monetary union — with a single European central bank deciding one rate of interest — won't work unless there is labour mobility on a European scale. But what use is mobility if you can't speak the language of your employer let alone your customer?

French is still the most popular language in schools even though interest is declining. Some 328,000 pupils took GCSE in French last year (18,000 down on the previous year) compared to 132,000 taking German and 44,000 Spanish. A recent comparison of the proficiency of European teenagers in foreign languages put Britain at the bottom. A 12 month inquiry into why this is so will be launched next month headed by Trevor McDonald. If Mr Blair's speech helps to send out the right signals about the empowerment of language he will have done a great service. Maybe it should be enshrined in the welfare-to-work programme.

Letters to the Editor

Labouring under a disability

A SA disabled benefit claimant I now realise were I have gone wrong. I should have become a Labour MP. What hypocrisy by this Government. While they are doing their utmost to cut the benefits of ordinary disabled people, MP's who are disabled can enjoy untold benefit riches. (Anger at disabled MP's increase, March 24). I am now an ex-Labour Party activist. R J Gemmell, Leicester.

BEFORE the euphoria surrounding the wish of a television presenter to become London's mayor builds itself into a bandwagon (Suits you, March 23), let us not forget that as chairman of the London Arts Board Trevor Phillips is responsible for the closure this week of the Greenwich Theatre. This will deprive the whole of south-east London of good subsidised theatre at an affordable price. Do we really want to give him a chance to tinker with even larger institutions? Jon Ploorman, London.

WITH the news of Saddam's plans to smuggle anthrax into the UK (Saddam anthrax plot warning, March 24) the abolition of duty free is surely now more urgent than ever. Phil Woodford, London.

SO THE owners of NCP car parks have driven off into the sunset (From bomb-site to 500m, March 24). To charge for a full hour if motorists went even only a few seconds over the hour was iniquitous. No wonder they seldom showed their faces in public. John Alley, Cheshire.

We may edit letters: shorter ones are more likely to appear. The Country Diary can be found on Page 10

Thick end of a racist wedge

PERHAPS Jaci Stephen, who so enjoyed the Bonspiel of Bernard Manning (March 21), might (unlike the BBC) spare a thought for the black British who previously thought the Mrs Merton Show fairly safe ground. Manning was allowed to deliver his campaign for racism, and to point out, several times, the financial benefits of his activities.

The BBC saw fit to repeat the programme in case any racists out there missed it. Jaci Stephen encouraged her readers to follow suit: "It's on again tonight," she ended her article. White people may find Bernard Manning monstrous and incredible, and in an educational way, led by the thoroughly sensible Mrs Merton, "good television". For us blacks, he is the thick end of a white wedge.

The "educational" argument was used to give air-time to paedophiles a chance to understand the nature of an invisible beast. To extend that reasoning to known racists like Manning, in the week of yet another enquiry into why

Stephen Lawrence's killers still walk free, smacks of BBC naivete on a grand scale. Or is the BBC racist?

Bernard Manning does have a right to free speech and a right not to give black people lifts in his motor. But why did the BBC pay him and, as he pointed out on the programme, pay him well? The white wedge doesn't come much thicker than Bernard. Joanna Traynor, Plymouth.

DIPAK Ghosh should develop some tolerance and locate the control switch on his television set. Is it not enough for self-appointed censor that people of his ilk, like a hundred sanitised BNP political broadcasts. Dealing with race issues becomes much easier when people like Mr Manning speak their mind freely. To me, that which is spoken behind closed doors and in secretive groups is far more fearful.

I rejoiced at the audience's very obvious discomfort at Mr Manning's comments — the anger and disbelief palpable. Like many other immigrants, I have been subject

to verbal abuse, shoving, spitting and, on one or two occasions, physical violence for no reason other than the colour of my skin. The audience on Mrs Merton, however, did much to re-affirm my belief that there are a good many people who are not prepared to tolerate the racism propagated by Mr Manning. Disha Mehta, London.

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I suspect that the real problem lies in the new audience for comedy. They don't laugh, they approve. D McQuinn, Manchester.

THE beauty of Manning's appearance on Mrs Merton was to see a fat bigoted bully stood up to and ultimately squashed. There was a report that the show quoting Manning as saying he was going to "destroy" Mrs M. but it appeared that the verdict went against him.

In my opinion it was a fine piece of self-destruction to watch this unrepentant obnoxious egomaniac pig talk himself into an ever deeper pit until he looked utterly bewildered at what was happening and began feebly to repeat himself into oblivion. Tod Kallidoulis, Cheltenham.

The Bard was the bawdiest of all

SO DAVID Blunkett believes that Shakespeare did not shock or use bad language (Ministers in culture clash as drama upsets Blunkett, March 24). His plays contain some of the crudest, most powerful and funniest language ever written, although it might take some footnotes to explain the finer points to a modern reader.

If Mr Blunkett is shocked by scenes of rape, torture, mutilation, child abuse, racism, sexual ambiguity, treason and murder, then he must avoid Shakespeare at all costs. And how would he receive a scene where a mother is served dinner, only to be told whilst eat-

ing the pie that the meat it contains is her dead sons? Obviously this is not nearly as shocking as the word "fucking".

Please, Chris Smith, educate our education secretary or even our richest literary tradition will be presented to future generations as existing solely for "teaching democracy, citizenship and moral and spiritual values" instead of showing all aspects of our complexity and leaving it to each of us to form our own opinions — which I would claim is the only true democracy. Helen Mordale, London.



ACCORDING to Blunkett, Shakespeare did not use foul language, nor did he need to shock. So Shakespeare did not write a play called Romeo and Juliet in which a 13-year-old girl has sex with the consent of her lover's priest. Nor does that play contain, among

many instances of smutty innuendo, the lines "that she were/An open arse, thou a popper pear!" And such a play could not possibly be prescribed by the Government for 13- and 14-year-olds to read. Graham Smith, London.

Pride is such a pain

Ian Aitken

HUMAN pride is a funny thing. The late J R Campbell, sometime editor of the Daily Worker, was once invited by his Soviet hosts to admire the splendour of the Red Army as they goose-stepped past Lenin's tomb on the anniversary of the October revolution. "Oh aye, they're very fine," he replied. "But you should see

the Black Watch." This early version of the cricket test work had pleased Norman Tebbit, but it probably made the Russians decide that Campbell wasn't a wholly reliable defender of the Socialist Sixth of the World. And they would have been right. He wasn't a 100-percenter, only a 99.9 percenter.

I suspect that 99.9 per cent loyalty would pass muster with Tony Blair, but not with some of his apparatchiks. Which may explain why New Labour MPs have been falling over themselves recently to express "pride" in almost everything the government either does, or (more often) says it is going to do when they find the money.

It was, alas, Blair himself who started this nonsense with all that talk about making Britain a "beacon to the rest of the world" and turning this or that British institution into "the envy" of less

fortunate peoples. He was at it again only yesterday, though in more unted terms, perhaps because he was speaking French in France.

Perhaps it is the ultimate sign of being Old Labour, but I find sub-jingoism of this sort too curiously embarrassing. Does Blair read the French newspapers when he is there on holiday? If he did, he would find it hard to discover more than the briefest mention of Britain, let alone expressions of envy.

But New Labour was scraping the barrel last week, when John Prescott announced his bizarre plan to raise a few million pounds for the crumbling London Underground system. Although his scheme had been largely designed to get round the Treasury's absurd accounting rules for public investment, a succession of Labour creeps rose to tell Prescott that it would give

Londoners a tube system of which they could be proud.

Proud? Londoners don't want to be proud of the tube. They simply want it to get them to work quickly and reliably, and in slightly less crowded conditions. Moreover, they know that the citizens of most other capital cities already have exactly that.

Pretty soon some ass will be telling us we should be proud of the Pound. After all, it's now virtually the strongest currency in the world — so strong that it threatens to ruin our export industries. But then, we'll probably be abolishing it soon. Then we can be proud of the euro.

ALMOST the only British institution which foreigners genuinely envy is Nye Bevan's health service. They still do, even in its present state of decay, because it is still a lot better than what

most of them have got. So yesterday, health secretary Frank Dobson fell over himself to put right what he saw as a damaging attack on NHS doctors, delivered by one of his own officials. This unnamed mandarin was quoted in the Daily Telegraph as saying that cutting waiting lists would involve dragging consultants off the golf courses and sending them back to their operating theatres.

But Dobson, who has enough problems already, wants no unnecessary trouble with his doctors. So he fired off a letter to the Telegraph repudiating his official NHS consultants, he declared, were utterly dedicated people whose self-sacrifice kept the NHS going.

This was a cheaper way of dealing with angry consultants than the one adopted by Bevan in 1947. Nye remarked famously that he had had to stuff the consultants' mouths

with gold in order to stifle their hostility. But the problem now is that many consultants do indeed spend too much time on the golf course. The reason, however, isn't laziness. It's a lack of cash to keep their operating theatres open.

WHEN the Tories tightened the screw on unemployed thespians, an actor friend of mine found himself being asked what he was doing to "actively seek work". He devised the perfect answer, which even raised a smile behind the counter. "Voting Labour," he told them.

I met him again this week. Facing the end of a long run, he may be back at "the brew" quite soon. Having studied Labour's latest plans for funding the arts, he doesn't know what he'll be telling the dols clerks this time.

Mark Steel is on holiday

Official: higher education figures get higher and higher

THE conclusions you draw from your opinion poll (Poor students put off by tuition fees, March 24) are not borne out by the level of applications for this year — nor by the initial findings of the University and Colleges Admissions Service's analysis of these applications.

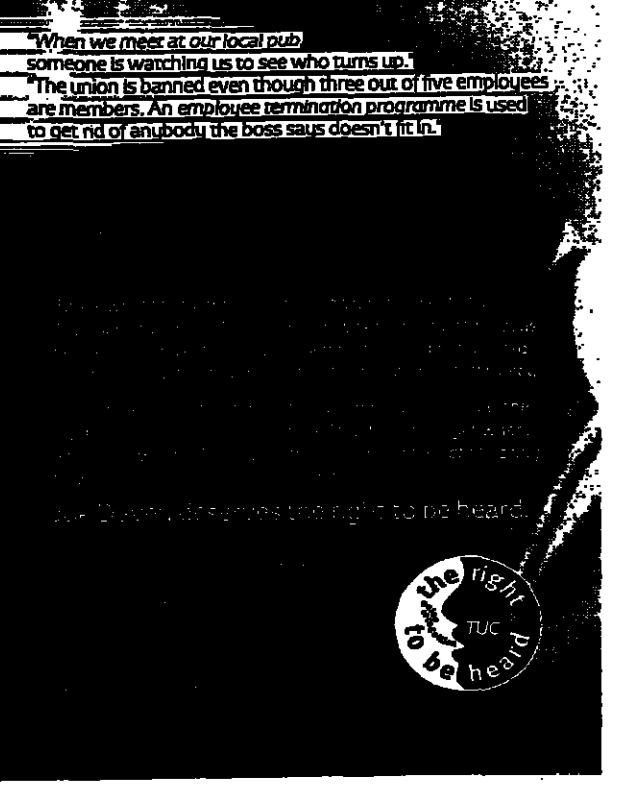
Our proposals are fair and equitable — and when students read the details, they are continuing to apply for higher education courses. As your report conceded, the latest figures show that more school and college leavers are applying for university this year than did so last year. Given last year's extra starters — over 6 per cent more students went early to avoid fees — and students' initial uncertainty about our plans, this is a highly significant outcome. As Tony Higgins of UCAS has said, evidence from applications so far is that the numbers of students from poorer backgrounds have not declined.

You also report doubts that students got the information we sent them. We issued well over a million leaflets and targeted school and college leavers. We followed this up with research which found that the majority of students had read and understood our proposals. Nearly 90 per cent are aware that families on low incomes will not have to pay fees and that many others will only pay in part: 80 per cent are also aware that increased loans will be available to help meet their living costs.

The changes we made will mean that universities and colleges will have the money they need to improve standards and access. Already, we have made available an extra £165 million for universities and an extra £100 million for further education colleges from April, with over 5,000 additional higher education places from this autumn — the first fruits of lifting the cap on expansion. David Blunkett MP, Secretary of State for Education and Employment.

"Our bosses spy on union meetings"

When we meet at our local pub someone is watching us to see who turns up. The union is banned even though three out of the employees are members. An employee termination programme is used to get rid of anybody the boss says doesn't fit in.



10 OBITUARIES

Abd al-Rahman al-Iryani

Dreams of Arab unity

IN A country where plots and intrigue were the norm, and political careers often provided a short cut to the cemetery, Abd al-Rahman al-Iryani, who has died aged 89, had the luck and astuteness to survive. After years of imprisonment and a narrow escape from the executioner's sword, he became the only civilian ever to hold the presidency of northern Yemen.

He was born in Iryan, a village among towering peaks at the head of Wadi Zabid, where narrow strips of soil perched on terraces provide fruit and vegetables. At times, the family home, a large house on a rock overlooking the village, would appear cut off from the world by the clouds below. Even today, it has no mains electricity and is reached by a precarious single-track road.

Despite this isolated rural setting, the Iryanis were a prominent *qadi* family — the class that by custom has produced judges versed in Islamic law. After a traditional Islamic schooling in the capital, Sana'a, Abd al-Rahman joined al-Ahram ("the free"), an organisation of educated young Yemenis committed to overthrowing the reactionary monarch, Imam Yahya.

But when tribesmen linked to al-Ahram assassinated Yahya in 1948, success proved short-lived: within a month, Yahya's son, Ahmad, assumed the throne. Several plotters were executed and al-Iryani, too, was eventually sentenced to death. Only minutes before he was due to lose his head, Imam Ahmad spared him.

Northern Yemen finally became a republic in 1962 — though civil war continued, with the monarchists supported by the republicans by Nasser's Egyptian forces. With the departure of the Egyptians in 1967, al-Iryani played a key role in the process of national reconciliation; despite his republicanism, his obvious piety



al-Iryani... voluntary exile

plot to oust al-Iryani was discovered; rather than resist, he resigned and went to live in Syria. This unsatisfying end to his presidency belies the fact that al-Iryani was one of the key architects of modern Yemen, seeking to meld the conflicting interests of modernists and traditionalists into a workable system of government. He played a major part in drafting the 1970 constitution, which — unusually for a developing country — survived almost intact for 20 years. Among his most important

innovations was a large, mostly elected, consultative council — the first (indirect) elections in Yemeni history took place in April 1971.

However, since political parties were banned and council members generally lacked any coherent ideology, it became what one writer described as "an assembly of notables, oligarchs grouped into small shifting actions and only tenuously linked to their constituents."

One of al-Iryani's main difficulties was that, in order to achieve a reconciliation between the royalists and republicans in the aftermath of the civil war, he had to expel the modernist left and give seats in the council to prominent traditionalist sheikhs — which resulted in a narrow, centre-right regime.

The British withdrawal from Aden in 1967 provided the first opportunity for north and south Yemen to unite — a goal which al-Iryani espoused. In the hope that it would end the civil war, he signed unification agreements, signed in 1972, were thwarted mainly by the northern tribes during his presidency, but they provided the basis for eventual unification in 1990.

Despite his long absence in Damascus, al-Iryani remained a popular and respected figure, making occasional visits to his homeland. His nephew, Dr Abd al-Karim al-Iryani, is a former prime minister of north Yemen and currently foreign minister of the unified state. Only hours before his death, perhaps aware that the end was near, he called family and long-lost friends on the phone, then asked for a drive around the sights of his adopted city. It was a journey he did not quite complete.

Brian Whitaker

Qadi Abd al-Rahman al-Iryani, politician, born July 1908; died March 14, 1998



A painter's eye... the self-portrait Daniels executed during his retirement in Sussex

Leonard Daniels

Art and management

IN 1947, Leonard Daniels, who has died aged 89, became principal of Camberwell School of Art and Crafts. He was to remain for more than a quarter of a century, from those optimistic, post-war times, when ex-servicemen were getting grants, the Inner London Education Authority was funding artists and craftsmen as teachers, and studios and classrooms were overflowing.

Daniels's predecessor, William Johnston, had in 1945 invited Edward Arlison and John Minton to teach illustration, and William Coldstream, Victor Pasmore, Claude Ro-

gers and Lawrence Gowling — members of the Euston Road school — to teach painting. It provided a momentum at Camberwell's painting school which was to be sustained for many years.

Leonard reinforced the fine art staff by appointing Martin Bloch as visiting painter and Karel Vogel as head of sculpture. He steered through the evolution of the design department into separate illustration, textiles and ceramics departments while conservation of drawings and documents was separated from the school of printing, the third traditional component at Camberwell. Thus did the school become less industrially and technically orientated, and more aligned with fine art.

Born in London, Daniels was educated at Holloway school, Regent Street Polytechnic and the Royal College of Art, where he won the annual portrait prize in 1932. Robust, determined, civilised, a little solitary, he used to walk from the RCA in South Kensington to Battersea Park to run in the evenings — he was a medal-winning sprinter.

As a painter, he exhibited in the 1930s at the Goupil galleries and at the Redfern. He taught at several schools, including Claysmore in Dorset and Taunton's in Southampton, before moving to Southampton and Portsmouth colleges of art. In 1934, he married Frances Rapaport, a fellow student.

A fatal accident precluded him from wartime mil-

itary service and he spent a happy four years as head of painting at Leeds College of Art. A painting he did for the War Artists Advisory Council is now in the Imperial War Museum.

Daniels saw further ahead than most. He was a shrewd judge of character, who appreciated the worth of his staff. With students, he was a little remote — "decent" and "sensible" were the language of his praise. Under his leadership, the school was characterised by confidence and mutual respect.

His later Camberwell years were shadowed by the illness and death of his wife in 1967. On retirement in 1974, he remained in London, where he was a churchwarden at Christ Church, Lancaster Gate, and was surprised to find himself sharing his love of painting with an informal group of elderly students at Kingston Adult Education Institute.

Eventually, he moved to Midhurst, Sussex, painting as he always had, portraits especially, including one of his friend Sir Thomas Armstrong, and a self-portrait. He stubbornly resisted exhibiting but had recently consented to a joint showing of his own and his wife's work at Winchester Cathedral. He is survived by his daughter and grandchildren.

Chris Pemberton

Leonard Daniels, painter and teacher, born November 28, 1908; died February 24, 1998

Birthdays

Humphrey Burton, writer and broadcaster, 67; Jung Chang, novelist, 64; Stephen Dorrell, Conservative MP, 46; Prof Sir Raymond Firth, anthropologist, 97; Prof Sir Patrick Forrest, cancer sur-

geon, 78; Aretha Franklin, soul singer, 56; Paul Michael Glaser, actor, 54; Elton John, rock singer, 51; Geoffrey John, chairman, Ford, from Britain, 64; The Most Rev Alwyn Rice Jones, Archbishop of Wales, 84; Nick Lowe, rock musician, composer, 49; Lord (Anthony)

Quinton, philosopher, 73; Christine Russell, Labour MP, 53; Gloria Steinem, feminist, 64; Lord (Peter) Walker, former Conservative minister, 66; Michael Whittam, director-general, British Red Cross Society, 51; Keith Whitson, chief executive, Midland Bank, 55.

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A Country Diary

CHILTERN: From early February this year, the sprays of dense, white blossom swaying in the Chiltern hedgerows persuaded many that even the blackthorn had been tempted into unseasonably early bloom. But now that merino-flecked twigs are appearing on darker, leafless bushes, it is plain that those precocious flowers were of another species altogether. The cherry-plum, *Prunus cerasifera*, is a close relative of the blackthorn, introduced anciently from south-east Europe. It is much more widespread in England than is often realised, and in the Chilterns — as becomes obvious in those years when the flowering of the two species over-

lap — is locally commoner than the blackthorn. One explanation of this is that the shrub was a favourite of the Rothschilds, big landowners here in the 19th century. Wherever you find white hedges in simultaneous bloom and glossy lime-green leaf in early March, it is a reasonable bet you are close to ex-Rothschild land. If you want more strictly botanical tests, the flowers of cherry-plum are half as big again as blackthorns, and the spineless young twigs a blotchy green, like corroded copper, not pure brown. The delicate, soft-fleshed fruits — yellow or coral-coloured — rarely materialise, alas, on these feral hedgerow shrubs.

In cultivation, they are known as myrobaltans, popularised by locals to "melly-bellies", which fuels confusion with yet a third type of plum, the mirabelle, which is a cultivated variety of the *Prunella domestica* ssp. *fruticosa*. It is hard work being a prunus pedant in these Bucks borderlands. Hedgerows and abandoned orchards contain a riot of intermediate types, sports, crosses and local peculiarities, some of the speciality of single villages. The "Edinburgh plum" once provided the purple dye for the Linton hat trade. The so-called "Aylesbury plum" made jam for airman at nearby Halton in the war.

RICHARD MAREY

CORRECTIONS AND CLARIFICATIONS

WE HAVE been asked to clarify some points in an article about the BBC/Discovery deal headed, *Auntie crosses the rubicon*, Page 28, March 21. The BBC will own 100 per cent, not 50 per cent, of BBC America. The BBC says Discovery will not, as it said in the article, "go walkabout in the BBC archives, selecting whatever it wants". The BBC will run and schedule the channel; Discovery will market it.

Friends of the Earth. However, it then added the following disclaimer, "These personal opinions do not necessarily reflect the policy of that organisation." That was quite wrong. Mr Secrett was asked to write the article as director of FoE and it did indeed represent the official view of the organisation.

IN A SIDEBAR on the Policy and Politics page, Page 9, yesterday, the ship Mary Celeste was referred to as Marie Celeste; the French expression *bien sûr*, was used without the circumflex.

actor and director, who appeared in the Birthdays column on this page yesterday, died in September 1996.

It is the policy of the Guardian to correct errors as soon as possible. Readers may contact the office of the Reader's Editor, Ian Mayes, by telephoning 0171 239 9589 between 11am and 5pm, Monday to Friday. Fax: 0171 239 9697. E-mail: reader@guardian.co.uk

Death Notices

COLLINGTON, at Hazareh House, Hammar, on 20th March 1998, peacefully after a long illness, Mr James S. Collington, 70, of 10, St Mary's College, near St Paul's Church, near St Paul's College, University of London. Requiem Mass at St Paul's Church, at 10 noon followed by burial in the cemetery of St Paul's College, near St Paul's College, University of London. Family service at 11am at St Paul's College, near St Paul's College, University of London. Burial in the cemetery of St Paul's College, near St Paul's College, University of London. Burial in the cemetery of St Paul's College, near St Paul's College, University of London.

LOVETT, Herb, Died on Saturday 23rd March 1998. Friend, psychologist, teacher by all who knew him. He will be missed. Memorial service, March 28th, 10.30am, at the Crematorium, 100 Darnley Lane, Petersham, Surrey. Tel: 0181 885 3125.

In Memoriam

HOBBS, Edward Hope, remembered with love on your 50th birthday. Missing you, as ever. Mum, Dad, Joe, Rose and Matthew. 0171 239 9589 or 0171 713 4128 between 2pm and 5pm Mon-Fri.

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Analysis Publishing mergers



POPE JOHN PAUL II



TONI MORRISON



GARFIELD



PRESIDENT CLINTON

Meet some German literary types

At least, they are all published by Random House, which is being taken over by the German giant Bertelsmann. Can the book world survive such mergers?

By **Stephen Moss** and **Chris Barrie**

WHEN Random House bought Reed Consumer Books last year, it was labelled the publishing merger of the decade. Some threw up their hands in horror at the concentration of so much publishing muscle in one firm; so many of Britain's finest literary imprints in one corporate HQ. Yet that merger has now been dwarfed by the news that last year's predator has become the prey, and that Random House is now to be bought by the giant German media conglomerate Bertelsmann AG.

Bertelsmann is reportedly paying \$1.4 billion (\$240 million) to buy Random House, which it will merge with Random House UK to create a company with 10 per cent of the \$21 billion US book market. Its presence will be equally formidable in the UK: the literary imprints of Random House will be allied with the blockbuster imprints of Transworld to create a company that will have an intimidating presence in British fiction publishing.

The history of publishing, particularly in Britain, in the past 30 years has been one of ever-increasing concentration and the elimination of independents. The imprints founded and run by "gentleman" publishers such as Hamish Hamilton, Victor Gollancz and Frederick Warburg were in turn absorbed into conglomerates. Now, in a development which Karl Marx would not doubt recognise, these larger groups are themselves the targets for companies that operate at a global level and across all media.

Old-stagers, understandably, become misty-eyed at such developments. Anthony Curtis, literary editor on the Sunday Telegraph and Financial Times between 1980 and 1990, recently published a book called *Lit Ed* which offers fascinating insights into this vanished world. Venerable publishers such as Hamish Hamilton (the man, not the imprint) would drop Curtis courteous notes about debut novels they thought merited attention.

Lit Ed gives a sense of a group of like-minded individuals — writers, publishers, academics, booksellers —

fascinated by books, ideas, cultural exchange. It would be wrong to suggest that this has disappeared completely, but in a world now governed by conglomerate power, there are clear dangers that the bond between authors and publishers will be weakened. There is also a risk that publishers may be less keen to nurture new talent in favour of the bankable.

Mark Le Fanu, general secretary of the Society of Authors, sees little logic in the latest merger and believes that in the long run authors will suffer. "There have been seismic changes in the past few years and this is yet one more. Read authors were bought by Random House and transferred; now they face more uncertainty about the future. In the short term, probably not much will happen. But sooner or later there is sure to be some rationalisation — and that will result in fewer opportunities for authors."

Authors, Le Fanu believes, are essentially conservative in their dealings with publishers and they want certainty and stability. They want to know that the editor who commissioned them will be there two years down the line when the book has to be produced and promoted. "Transworld and Random House are both rather good publishing operations," he says. "Transworld is medium-sized and energetic, it's had a very stable and competent management, and it is well liked by authors. Random House UK is much bigger, but it has absorbed the Reed imprints surprisingly smoothly. Bringing them together doesn't seem to make much sense and wise publishers know that."

Le Fanu's point is emphasised by the reported circumstances of the deal. It was brokered in the US by Bertelsmann's chief executive-elect, Thomas Middelhoff, and SI Newhouse, chairman of Advance Publications, who met at a party last November for the latter's 70th birthday. The UK book industry which has been gathered at the London Book Fair this week, had had no indication that a deal was imminent, and even the Random House UK board was not informed until 9.30am on Tuesday, just

How one literary star became a brand

Disney, the world's largest media conglomerate, has perfected the art of cross-sector branding. While the Pooh was once merely a book, now Disney offers the global brand for sale via:

- Booklets Read-Along and Sing-Along books are produced by Disney's publishing and music arms (House Works, Disney Press and Walt Disney Records)
- Software: Disney Interactive and Buena Vista Software, Disney companies, sell Pooh titles for the pre-school educational market
- Music: Walt Disney Records sells albums on CD or cassette of videos such as Pooh's Grand Adventure
- Video: Walt Disney Home Video offers The Many Adventures of Winnie the Pooh
- Television: You can watch Pooh cartoons on the Disney Channel via satellite or cable. Disney also owns a share in many terrestrial networks, such as ABC in the US
- Theatre: Pooh still swells his Broadway musical, but you can now see The Lion King and Beauty and the Beast in New York and beyond
- Birthday parties: Young consumers can join Club Disney and plan a personalised party around their favourite Pooh characters
- Food: Trips Adventures organises themed trips for children and students
- Greetings: Disney sells 16 varieties of the Pooh Gram, a personalised greetings card with your very own 12" Pooh Bear.
- Merchandise: 112 items of Pooh merchandise, from T-shirts to golf-club covers. It sells them online and in its 530 shops.
- And, of course, the occasional theme park...

before the press announcement of Bertelsmann's acquisition. How sweet that thought must be to those Reed staff forced out last year.

Yet it is only recently that financiers have considered the book industry to be worth massive investment. Professional investors traditionally believed that there was little prospect of growth, given the pressure to turn books around fast and pay ever-increasing advances for big sellers.

But Pearson, the UK media company that owns the Financial Times and Penguin Books, excited City interest recently with the revelation that Internet sales of books could yield fat profit margins. The group told City analysts that trials with America Online — which happens to be 5 per cent owned by Bertelsmann — had produced 40 per cent growth quarter on quarter, an astonishing rate of increase. Selling books over the Net is also more profitable, cutting out the retailer and leaving all the margin to the publisher. If the book company owns a large back list — as Penguin does — then the

prospects are even better. The publisher can store old favourites cheaply and mail them out as customers order them electronically. Bertelsmann itself is setting up Books Online, a large Internet bookshop. But the Bertelsmann acquisition of Random House is also part of a wider strategy by media conglomerates to prepare themselves for the explosive growth of digital television and its associated interactive services. Digital technology means that consumers will be able to buy content from various distribution sources, many of them to be found via TV channels or web sites. As the distribution systems — cable, terrestrial and satellite broadcasting and the Net — change, so control of content becomes key.

Large media companies want to own the intellectual property rights to as many "products" as possible, whether in music, film, TV or

books. By owning a book company, the media conglomerate will hope to have the first look at future Tom Clancys and John Grishams. Managers will want to exploit famous brands by exploiting merchandising opportunities. T-shirts, CD-Roms, breakfast cereals — all can be sold off the back of a successful TV show or book.

BUT to exploit these opportunities, management will be crucial. Book publishing has already been characterised by its poor leadership, a curious mismatch of cost-cutting managers and author-friendly editors. If the media conglomerates are fully to exploit their new-found reserves of talent, they will need to do better than they have managed in the past. Rupert Murdoch's disenchantment with HarperCollins, and one possible buyer is the cash-rich Pearson, which owns Penguin. In the paranoid world of media

how difficult it is to manage these sprawling empires.

Back at Random House, executives were putting on a brave face yesterday. Bertelsmann has said that neither of the two houses will suffer as a result of the merger. But in reality there are sure to be casualties. For example, Transworld recently set up a quality-paperback imprint called Anchor. With Random House's all-conquering Vintage now on board, that may seem surplus to requirements.

Not surprisingly pundits on the publishing side of the business are more sanguine than many of the authors, though they accept that authors may now have a tougher time as there will be less competitive bidding. Nor will this be the last mega-merger. News International is hoping to sell HarperCollins and one possible buyer is the cash-rich Pearson, which owns Penguin. In the paranoid world of media

tycoonery, the mighty Viking Penguin may now feel it has to get even mightier in the face of Transworld/Random House. And so it goes.

There is, however, a less apocalyptic argument. It posits that, even as this apparently inexorable concentration of capital proceeds, space opens up for smaller publishers; that, in effect, a new breed of independents is growing up who are faster on their feet than the conglomerates and can offer new authors more support. Fourth Estate, Bloomsbury and Grants are cases in point — good, eager publishers with fine lists and a commitment to high-quality fiction. "There is lots of evidence that smaller publishers can compete," according to one industry analyst. "These things ebb and flow, and there still seems to be space for independents." As for authors, they are likely to depend increasingly on agents. As the "gentleman"

publishers disappear, editors become more mobile, and the writer's publishing house becomes less of a home, the agent has become a more central figure: not just deal-maker, but confidant, mentor, and often quasi-editor.

Bertelsmann may be hoping that, by tying up authors in its vast empire, it will increase its opportunities in other media. Net a Grisham book, for example, and the film will follow. But deals rarely work that way — and the new breed of super-sharp agents will try to make sure that authors do not put all their eggs in one media basket.

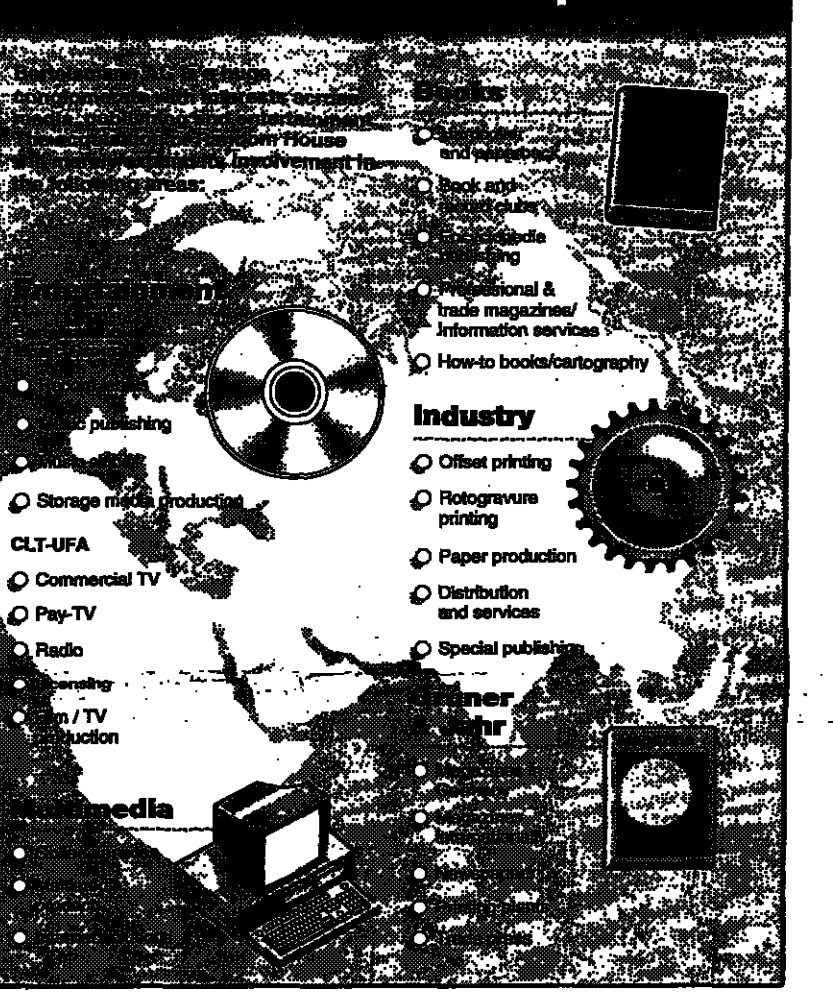
Sources: (1) New York Times, March 24 1998. Graphics sources: Disney; Bertelsmann; Securities Data Company; Fortune. Graphics: Getty/Alamy; Steve Willers. Research: Mark Keating. Stephen Moss is the Guardian's literary editor; Chris Barrie is media business correspondent.

Books as brands

Famous five
The world's largest
media power-houses,
Revenue \$m, 1995



The Bertelsmann empire



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FinanceGuardian

Third World crisis deepens



Lean times... food aid to developing countries has declined sharply since this US consignment arrived in Somalia in 1992

PHOTOGRAPH: JOHN MOORE

World Bank says private investors cannot offset aid

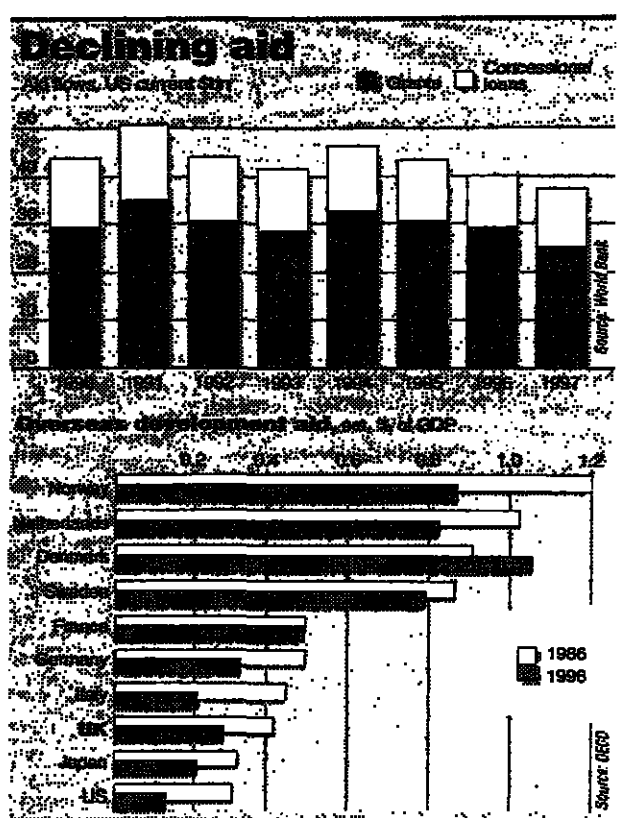
Charlotte Denry

DEVELOPING countries face a deepening crisis as rich governments' aid budgets sink to new lows, the World Bank warns today. Their problems will be compounded by the fall-out from the Asian crisis which has caused private investors to pull out of emerging markets.

Private investment in low- and middle-income countries reached an all-time high last year of \$255 billion, six times the size of official aid budgets, according to the Bank's annual report on aid and investment, published today. But most of the money was lent before turbulence began

involved in the original crisis will also suffer from the fall-out, according to the Bank, as investors lump them with the countries in trouble. Long-term investment flows to developing countries may fall in 1998, adding to the problems caused by the ongoing decline in aid from rich countries. Official aid from western governments, which remains the most important source of development finance for the poorest countries, declined last year to \$37.3 billion, a drop in real terms of 12.3 per cent on the previous year, and the fifth year in a row that grants and soft loans to the most needy countries have declined. Aid budgets for the poorest countries, declined last year to \$37.3 billion, a drop in real terms of 12.3 per cent on the previous year, and the fifth year in a row that grants and soft loans to the most needy countries have declined. Aid budgets for the poorest countries, declined last year to \$37.3 billion, a drop in real terms of 12.3 per cent on the previous year, and the fifth year in a row that grants and soft loans to the most needy countries have declined.

In the early 1980s. Only the Scandinavian countries met the 0.7 per cent target set by the United Nations. The Bank says donors have been getting stingier at a time when more people need aid. The number of people living on less than a \$1 a day rose from 1.2 billion in 1987 to 1.3 billion in 1993, while access to education and health services has worsened. "The decrease in foreign aid threatens many of the poorest countries in the world, which are most in need of capital but have the least ability to attract private money," said Professor Stiglitz. The Bank blames the turmoil in Asia mostly on under-regulated weak financial sectors in the countries concerned. But destabilising "hot money" flows turned what began as a problem in the Thai property market into a crisis for the whole region. Investors rushed to pull out money from the crisis-hit countries, compounding the structural problems. Prof Stiglitz said it was time to talk about reforms "that can bring the advantages of globalisation while reducing their risks".



French call for closer defence links

Mark Millner
Deputy Financial Editor

A SENIOR French minister yesterday called for British Aerospace and the French military aircraft maker, Dassault, to develop a joint industrial and commercial strategy as part of a radical realignment of the European defence industry.

Alain Richard, France's defence minister, also described Britain's GEC as an ideal partner for his country's own defence electronics group, Thomson CSF. But Mr Richard underlined

his government's reluctance to privatise France's premier defence company, Aerospatiale, leaving in place one of the main obstacles to a corporate pan-European restructuring of an industry now largely in the private sector. Mr Richard made it clear that France would prefer a sectoral approach, rather than a "big bang" solution through the merger of the leading British, French and German players.

The French defence minister's comments, in an interview with the French financial newspaper, Les Echos, come days ahead of the deadline set by the British, French and German governments for Aerospatiale, BAE and Germany's Daimler Benz Aerospace (DASA) to come up with a strategy for greater cooperation within the industry to combat the threat posed by the big US defence groups.

None of the companies — all partners in Airbus Industrie, the civil aircraft consortium — will comment on their joint proposals ahead of their submission to the respective governments. Mr Richard's sectoral approach could fit the pattern of Airbus Industrie, which is being turned from a partnership into a fully-formed company, as well as the Matra-BAE missile joint venture and may foreshadow the proposals that BAE, DASA and Aerospatiale will table next week. That would leave the way open for the strategy to be extended to include the likes of Sweden's SAAB, Italy's Finmeccanica and CASA in Spain.

Mr Richard said that he remained committed to a merger of Aerospatiale and Dassault. But he called for close links between Dassault, which makes the Rafale and Mirage 2000 fighters, and BAE, which is involved in the construction of the rival Eurofighter and Tornado aircraft. "Some points are essential, particularly that the future European entity combine all the European activities in combat aircraft. This assumes that the companies, notably Dassault Aviation and British Aerospace, can form a common industrial and commercial strategy."

Forget education – Britain thrives on total crap

Mark Atkinson
Economics Correspondent

GERALD Ratner was right — some British goods are crap. Ear-rings bought for the price of a prawn sandwich or \$4.95 decanters may not be de rigueur, but they are all many impoverished Britons can afford, says a report out today.

And what is more, pretending that the country's economic salvation lies simply in a better trained workforce is an act of national self-deception. "Gerald Ratner paid the ultimate price for his honesty," says Ewart Keep, of Warwick Business School. "For many British companies competitiveness lies not in upskilling workers to make high quality products, but through price."

with more highly skilled workers can only increase levels of dissatisfaction when those workers are employed in poor quality, low paid jobs. In a report for the Employment Policy Institute, the jobs think-tank, Mr

Keep and Ken Mayhew, of Pembroke College, Oxford, question the Prime Minister's focus on "education, education, education" as laudable but not necessarily likely to make UK plc more competitive. Many British firms rely on "low-

'We also do cut-glass sherry decanters complete with six glasses on a silver-plated tray that your butler can serve you drinks on, all for £4.95. People say: 'How can you sell this for such a low price?' I say because it is total crap'

Gerald Ratner, left, in 1991



spec" strategies based on lower price rather than higher quality. Such strategies do not require highly trained, well educated workers, especially when the UK has roughly one fifth of the European Union's poor, who cannot afford to pay high prices. Improved skills will add value to businesses only when combined with factors such as quality improvements, a wealthier customer base and fairer workplaces.

PHOTOGRAPH: SEAN SMITH

Notebook

Asia pays price of going with flow



Edited by Alex Brummer

IN RECENT times the World Bank's Global Development report has been something of a cheerleader for private-sector cash flows — but not in 1997. Although the volumes reached a record \$256 billion, up from \$247 billion in 1996, the severe problems in basing development on private-sector flows has been horribly exposed in Asia.

Such flows bring with them high risks, as the Asian economies are learning, while the focus of most of the cash on the larger economies means even tighter squeezes on those at the bottom of the scale. Official development assistance is on a downward spiral, despite repeated promises by the British and other governments that eventually they will hit the United Nations 0.7 per cent target.

The most devastating conclusion of the report is that the crisis in Asia has been so severe that the worst affected countries, Indonesia, Thailand and South Korea, will face economic contraction of zero growth this year, not merely a cut in their exceptional growth rates. The contraction from Asia also will cut some 1.5 per cent of Latin American growth.

The critical lesson for lenders to emerging markets is that they need to focus on the quality of the financial sector, not simply traditional macro-economic measures. As for the international financial community, it needs to find ways of ensuring that funds do not exit at the first signs of difficulty. This means encouraging longer-term lending packages, perhaps underpinned in suitable cases with guarantees provided by the World Bank.

Boots advantage

MARKS & Spencer has gone for a premium investment and personal loan market, Tesco and Sainsbury have veered towards retail banking, and now Boots is offering insurance options. The customer base for what will be catholic range of cover, including accident and serious illness policies, as well as dental and "gap year" coverage will be built upon up to 8 million customers, many of them women, who have been the Boots Advantage card's enthusiastic users. Boots sees the Advantage card as a valuable marketing tool which, once it is fully wired up, will provide every branch manager with a detailed data base on which to base marketing strategies. Eventually, Boots Advantage card will be the repository of health facts including allergies to drugs and other information which will be useful to dis-

pensers and marketers. The company has been at pains to point out that it will not be entering the retail banking business, like its competitors. That is because it wants to focus on health-related insurance matters and is not sure how profitable such banking services will be. This will come as a relief to NatWest bank. Next month Lord Birt, who has been seen widely as the next chairman of the bank, attends his first board meeting as a non-executive. Neither party will want the kind of conflict of interest which a banking, Tesco went into banking, requiring Lord MacLaurin's departure from the crowded NatWest boardroom.

Savoy polish

OVERSHADOWING the strong results from the Savoy, which saw profits up 54 per cent at the operating level to £24.2 million, is the question of its future ownership. The Savoy could continue to go it alone, as a remote subsidiary of Granada, but that is unlikely. Expansion and refurbishment is an expensive business, and that is partly reflected in the results, which show a much higher interest charge of £2.2 million. Moreover, the work is not yet completed. Next target for the Ramon Panjares treatment is Simpson's-in-the-Strand, which is ready for a kitchen modernisation, air conditioning and a restored interior.

Where the final decision on a bid will be taken is still unclear, despite the endless speculations about where real control lies. Gerry Robinson at Granada is plainly the most important player but, as would-be buyers over the years have found, the family of the late Sir Hugh Wontner has huge capacity to delay matters. The most encouraging aspect about the bid arrangements is that Mr Panjares has a seat on the committee of the board which considers the offers. That should at least ensure that the successful buyer is one that believes the Savoy brand has further to go here and overseas.

Newcastle way

IT HAS been a brutal battle but the three non-executives at Newcastle United — Sir Terence Harrison, Dennis Cassidy and John Mayo — have struck a real blow for corporate governance with their removal of Freddy Shepherd and Douglas Hall from the board. It goes further than that, however. Ideally, the three trustees want to see a restructuring at the club. This would involve a divestment of the Hall family holdings, first to below 50 per cent and eventually towards 10-11 per cent. Similarly, they want to end the duality between the "club chairman" and the "chairman, which allows a divide-and-rule policy. All sensible stuff, which could equally apply to all football clubs as well as other where there are dominant holdings that act to the detriment of the minority.

Treasury milks PO – new chief

Nicholas Bamister, Chief Business Correspondent

THE value of the Post Office could be halved within five years if the Treasury continues to milk it of profits, its new chairman, Dr Neville Bain, said yesterday. Dr Bain, who announced that the cost of sending a letter within Britain was to be frozen for at least another year, said it was essential that the PO be given its commercial freedom as soon as possible.

He expected the results of the Department of Trade and Industry's review of the PO's future to be announced within the next three months. The future structure and ownership of the PO have been under review since 1992, and the organisation has complained bitterly that it has lacked the commercial freedom to meet competition, especially from foreign companies and new technology. He stressed that the present system, with the PO reporting to the DTI and with the Treasury deciding how much it would take out of the business each year, was damaging the organisation. He said a commercial assessment of the business showed that its net asset value — currently standing at £3.25 billion — would be halved within five years if the Treasury continued to cream off profits and if the business was unable to invest to meet competitive challenges.

TOURIST RATES – BANK SELLS

Australia 2.495	Germany 2.980	Malaysia 6.00	Singapore 2.65
Austria 20.98	Greece 525.50	Malta 0.472	South Africa 8.13
Belgium 61.51	Hong Kong 12.64	Netherlands 3.3480	Spain 261.40
Canada 2.32	India 66.29	New Zealand 2.30	Sweden 13.01
Cyprus 0.87	Ireland 1.187	Norway 12.32	Switzerland 2.63
Denmark 11.43	Israel 2.899	Portugal 204.10	Turkey 383.640
Finland 9.12	Italy 1.666	Saudi Arabia 8.19	USA 1.6414
France 9.97			

Supplied by NatWest (excluding rupees, cheques and dollars)

Peter Hetherington reports on the repercussions of the fat cats and dogs scandal

Sir John Hall rises, the son falls

WHATEVER happens to the Hall family's majority stake in Newcastle United, Sir John and his son Douglas know there are probably richer pickings away from St James' Park, although they did very nicely, thank you, from the club's flotation almost a year ago.

Until relatively recently football was not what Sir John was about setting up property deals, building shopping centres in Britain and office and holiday complexes abroad, while developing the lifestyle of a nouveau riche and landowner. Douglas, the heir apparent, became the playboy.

Newcastle United came almost by chance when the family firm, Cameron Hall Developments, made a small fortune after gambling on a

115-acre ash tip by the Tyne in Gateshead, regarded as a no-hope site. On the back of government grants and tax write-offs from Enterprise Zone status, they developed the MetroCentre shopping complex — and soon sold it for hundreds of millions of pounds.

That left Sir John, a former Coal Board surveyor, with more time on his hands. Since the late Eighties he had been championing the cause of a revolution at St James' Park as a member of the Magpie Group, comprising Tyneside's alternative "new rich" establishment. They had been campaigning to oust the old guard, lawyers and ageing businessmen, through mass share ownership. They held up the vision of a "people's United".

But ironically the club passed to another form of narrow ownership as the Magpie

Group's share plan failed to attract sufficient funds in an area of high unemployment. Sir John and the family firm stepped into the breach, taking on a floundering team and a \$6.5

million overdraft, but he insisted they had become the new owners of the club, then near the bottom of the old Second Division, more by accident than by design. Ossi Ardiles was promptly sacked as manager, Kevin Keegan appointed, and the rest is history.

'Yes, I'm ruthless. But so is my father in his own way'

Many observers remain surprised by the speed with which Sir John transformed himself from small-time de-

veloper to one of the corporate giants of English football — a former Labour supporter who turned Social Democrat and then arch-Thatcherite preaching "capitalism with a conscience".

After leaving the Coal Board in 1983 he launched his own property company, weathered the early Seventies, sold out and started again with his wife Mae, who gave her maiden name of Cameron to the reborn company.

The trappings of wealth came slowly. One business associate reckoned the family had "no more than \$200,000" to their name when they were

planning the MetroCentre in the early Eighties. But by the end of the decade they were multi-millionaires, having bought a 70-room Palladian mansion and 7,500 acres at Wynyard Hall, near Stockton, for \$3 million. Some of the land went for exclusive homes — for Kevin Keegan, Douglas Hall and more recently Alan Shearer — and more was leased to the Korean electronics giant Samsung.

Soon Douglas Hall emerged as a force to be reckoned with in the Cameron Hall and United boardrooms. A former bookie with Joe Coral, he is said to have a good financial mind.

"I've had hundreds of jobs," he once said. "I'm a jack of all trades and a master of none. But what I've got going for me is that I'm streetwise and I'm good with figures."

As Sir John talked of the

family dynasty, Douglas moved effortlessly into his father's shoes as chairman of Cameron Hall and guardian of the company's 57 per cent stake in Newcastle United as deputy chairman. "Yes, I'm ruthless," he has admitted.

"But so is my father in his own way. He just hides it a lot better than me."

After the club floated last year, Douglas, now 32, became a tax exile — with homes in Portugal, Spain and Greece, as well as the Wynyard Hall family pile — to save him from an estimated \$40 million capital gains bill on the shares windfall.

He is said to have unlimited access to the family's Lear jet and recently bought a limited-edition \$250,000 Ferrari F50 to complement an already large pool of luxury cars. He also owns a string of racetracks, although his wife Tonia, a former model, probably sees



St James' infirmary... Sir John returns

more of them than her husband does.

Douglas found himself drinking and smoking far more than was good for him and the drinking apparently stopped for a time, after a health check-up. But it was hard to kick the fast-living habit.

Life after St James' Park could still prove challenging. Cameron Hall is developing near-£170 million theme park called Fantasia at Sintra, near Lisbon, which is due to open next year. Backed with government grants, it looks

like being another money spinner.

As chairman of the family firm, Douglas's earnings last year shot up from \$300,000 to an estimated \$2.2 million. In addition he took around \$750,000 as a Newcastle United director.

Life, in short, will not be too hard on him after United. And his father is relishing the challenge, however brief. "It's time to concentrate on football and nothing else," he said yesterday. "I'm here to stand shoulder to shoulder with Kenny Dalglish."

David Lacey in Bern reports on the options open to the England coach and the priorities against Switzerland after the defeat by Chile

Hoddle plays it cool on Owen's role

GLENN HODDLE was asked yesterday about what he thought was the most heartening aspect of England's progress since the team qualified for the World Cup. Last month's defeat against Chile, he replied, because that had taken some of the froth off the euphoria following the goalless draw in Italy that assured England of a place in France this summer.

Dodgy stuff, euphoria. It can so easily take on the combustible qualities of nitro-glycerine. Should England lose to Switzerland in the Wankdorf Stadium here tonight the fact that injuries have deprived Hoddle of nine members of his original squad would not spare him a critical knife or two.

England have not been beaten in successive matches since Graham Taylor's ill-chosen team lost a World Cup qualifier in Norway in the summer of 1993 and were then defeated by the United States in Massachusetts a week later. Taylor experienced a variety of public emotions during his three years as England manager but euphoria was not among them.

Had Hoddle set out to puncture over-inflated public optimism when England lost 2-0 to Chile at Wembley six weeks ago he certainly picked an ideal line-up for the job. The midfield were bad-carriers to a man.

For tonight's game, despite losing David Beckham and Paul Scholes and leaving Paul Gascoigne out of the squad, the England coach still has an opportunity to greet Alan Shearer's first start to an international for nine months with a more imaginative selection.

Hoddle can renew Shearer's previously productive partnership with Teddy Sheringham or he can see Michael Owen, a lone success against Chile, shape up alongside the England captain. He can support the front pair with Paul Merson or Steve McNamara, or play both behind Shearer.

Clearly Hoddle is worried about the 18-year-old Owen being written up as the ace England are about to place from their sleeve for the World Cup. "It's wrong to put too much on the lad," he protested. "He's played in one international; he's still on trial."

Hoddle agreed that Owen



Snow over Rio... Ferdinand and Michael Owen, teenagers in the England squad, practise in wintry Bern under Hoddle's protective gaze

RUBEN SPICHER

has a special talent but is unclear where it lies. "I'm not sure he's a born goalscorer," he said. "We'll have to wait and see. It's hard to be a prolific scorer when you're also creating things as much as he does."

Whether or not Owen starts tonight's match, the main point of the exercise will be to see if Shearer, having missed more than half the season with ruptured ankle ligaments and a broken fibula, can begin to reproduce the international form that brought him six goals in seven England games last season.

Since returning for Newcas-

tered Shearer has found his finishing touch more quickly in the FA Cup than in the Premiership. "He might score too many goals before the World Cup, that could be a worry," said Hoddle, a trifle desperately. If Shearer misses easy chances tonight that would be an even bigger worry.

Switzerland failed to qualify for the World Cup but this evening's game is as important for them as it is for England. It will be the new coach Gilbert Gress's first match in charge since his appointment in January.

"They're going to be up for

it," said Hoddle. "We need a stiff game away from home." The Swiss have lost the injured Kubilay Turkylmaz, who scored against England in the 1-1 draw at Wembley at the start of Euro 96, and Claudio Sforza, their most experienced midfielder, will have a fitness test today on a bruised calf. But Stéphane Chapuisat, Marco Grassi and the talented young Johann Vogel will be a threat.

Certainly the Swiss attack should test what could well be an experimental England defence, with Rio Ferdinand playing sweeper behind Martin Keown and Gareth South-

gate. Hoddle has given little indication that Ferdinand, who has won one cap as a substitute, will start the game but, since the West Ham player did not appear in last night's Under-21 match, why else is he here?

To a certain extent the composition of Hoddle's team depends on Andy Hinchcliffe, his only specialist full-back this time, recovering from a sore Achilles tendon. Whereas Robert Lee is again likely to fill the wing-back role on the right the options on the left, should Hinchcliffe not make it, are too numerous to mention.

It is assumed that Paul Ince and David Batty will play together in midfield but, with World Cup referees promising to be even tougher on tackles from the side or behind, what future is there in having this pair together in the same team? Unless they can curb the aggressive instincts that make them valuable assets in the Premiership, Ince and Batty will be liabilities in France.

SWITZERLAND (probable): Cornuet; Hatcher, Van der Ven, Wicky, Sforza, Muller, Sene, Grassi, Chapuisat. ENGLAND (probable): Hoddle; Ferdinand, Southgate; Lee, Ince, Batty, Hinchcliffe; Merson, McNamara or Owen; Shearer.

Friendly internationals

Scotland v Denmark

Elliott adopts new role

MATT ELLIOTT, the Leicester City defender, has returned to the land of his grandmother's birth for a significant stage of a journey he hopes will take him to France this summer, writes Patrick Glenn.

Elliott will start an international for the first time tonight when the Scotland coach Craig Brown's depleted side step out at Ibrox against Denmark in a joint World Cup warm-up match. The Danes face the hosts France, Saudi Arabia and South Africa in Group C in June.

At 28, Elliott will be a towering presence beside Blackburn's Colin Hendry and probably Derby's Christian Dailly, who remains a slight doubt, in what promises to be a demanding contest with the Landru brothers, Brian and Michael.

Brown has lost six of his original squad of 24 and is left with only 15 outfield players. The 10 starting out in front of Aberdeen's goalkeeper Jim Leighton, who will make way for Rangers' Andy Goram at half-time, virtually pick themselves.

Brown confirmed that Celtic's Darren Jackson will start in attack where he will probably partner Scott Booth, currently on loan to Utrecht from Borussia Dortmund. Hendry will lead the team in the absence of Coventry's Gary McAllister but Brown would not confirm him as World Cup captain.

N Ireland v Slovakia
McMenemy in the dark

LAWRIE MCMEENEMY looks likely to give Newcastle's 18-year-old defender Aaron Hughes his senior debut tonight in Belfast against Slovakian rivals he admits are something of an unknown quantity.

"I don't know much about the opposition," said McMenemy, in charge of the Irish side for the first time. "I think they will be a tough, well organised team who could surprise us with the odd individual."

McMenemy will probably opt for GPR's Iain Dowie, who has recovered from a sinus attack, and West

Brom's James Quinn up front, although St Johnstone's O'Boyle could figure at some stage. The Chester full-back Iain Jenkins has been called into the squad to increase defensive options.

Wales v Jamaica
More Boyz than boys

WALES supporters will be outnumbered in Cardiff tonight by at least two to one when Jamaica meet Bobby Gould's team in their first international in Europe.

As many as 10,000 Jamaican fans from all over Britain will be in the sell-out 14,500 crowd at Ninian Park to celebrate the Reggae Boyz' qualification for this summer's World Cup finals in France.

Unusually, even for friendly internationals, there are no plans to segregate fans. With a carnival atmosphere fuelled by steel bands expected, the biggest danger may be dancing in the stands.

The FA of Wales was amazed when 7,000 of the first 10,500 tickets put on sale were snapped up by the Caribbean connection. Jamaicans in London have been told no more tickets are available.

Jamaica's coach Rene Simoes will field most of his seven English-based players but Chelsea's Frank Sinclair has been allowed to miss out to prepare for Sunday's Coca-Cola Cup final.

Czech Republic v Republic of Ireland
Duff given plum start

BLACKBURN'S Damien Duff gets his first senior international outing tonight in one of Europe's football's more remote outposts of Olomouc and the Republic's manager Mick McCarthy could not be more pleased about the low-key location.

"When he made his first appearance for the Irish B side last month he was very disappointed with his performance and thought it was a lot to do with all the expectations put upon him," said McCarthy.

He has named one of the Republic's youngest teams, with an average age below 23. Alan Maybury of Leeds and Charlton's Mark Kinsella also make their debuts. (Continued on page 15)

Orient fined and face losing points

LEYTON ORIENT were yesterday fined £20,000 and suspended by the FA and could be deducted critical league points after fielding three ineligible players in several Third Division games.

Orient's promotion push could founder after Barry Shearer's club fielded Mark Warren, Simon Clark and Stuart Hicks while banned. The case will go to the Football League, who could deduct points.

Blades to sell £1m Borbokis

Ian Ross

SHEFFIELD UNITED are ready to continue selling off the family jewels by parting with Vassilis Borbokis only 10 days before their FA Cup semi-final against Newcastle. The Greek international wing-back is poised to join Everton in a £1 million deal before the transfer deadline falls tomorrow.

Earlier this month Nigel Spackman resigned as United's manager in protest after being told several key players were likely to be sold to help satisfy the financial demands of the club's plc. Now, although Mike McDonald has gone as chairman, and with the caretaker manager Steve Thompson's team also pursuing a play-off place, the sales continue.

Everton's manager Howard Kendall brought Borbokis to United from AEK Athens eight months ago, shortly before he himself swapped Bramall Lane for Goodison Park. The player has been courted by several Premiership clubs in recent weeks including Newcastle, Leeds United and Arsenal.

Results

Football

Scottish League

First Division

Partick (H) 1

Kilmarnock (A) 0

Partick (H) 1

McGowan 56 (pg)

4/15

1st Division

Partick (H) 1

McGowan 56 (pg)

4/15

1st Division

Partick (H) 1

McGowan 56 (pg)

4/15

1st Division

Partick (H) 1

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4/15

Results

Football

Scottish League

First Division

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Kilmarnock (A) 0

Partick (H) 1

McGowan 56 (pg)

4/15

1st Division

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1st Division

Partick (H) 1

McGowan 56

SportsGuardian

£3.45m move from Rangers depends on medical

Gascoigne joins Boro on Wembley way

Ian Ross, Patrick Glenn and Martin Thorpe

PAUL GASCOIGNE yesterday agreed to return to English football with Middlesbrough but the £3.45 million transfer — and the chance to make his debut with them at Wembley — depends on an exhaustive medical examination today.

After five days of soul-searching the England midfielder has decided that he does after all wish to return to his native North-east to play out the final few seasons of an extraordinary career.

Although it had seemed likely he would stay with Rangers until the summer at least, he has decided to sign a three-year deal and join Middlesbrough's push for promotion from the First Division.

Middlesbrough, like the Premiership strugglers Crystal Palace, had a bid accepted by Rangers last week, only to be kept waiting for an answer as the 30-year-old considered what was, in truth, a short list of options.

It would seem that his resolve to remain in Scotland was finally weakened by a warning from the England coach Glenn Hoddle nine days ago. After announcing the squad for tonight's friendly international against Switzerland in Bern, Hoddle told him that his chances of a place in the 22-man squad for this summer's World Cup finals in France were currently slim and that he would have to be fully fit and playing regular senior football before he could even be considered.

Gascoigne's working relationship with the Rangers manager Walter Smith was under strain after the acceptance of the Middlesbrough and Palace bids, so he was aware that he might finish the season playing in the reserves.

For most of the season he has looked like a man going through physical pain and mental torment. His series of injuries — back, hamstring, knee, ankle and foot — may have been triggered as long ago as January 1997 when his impulsive tackle on the Ajax goalkeeper Fred Grim in a meaningless sixes tournament in Amsterdam did knee damage which kept him out for most of the remainder of last season. He has not appeared to be right since then.

Gascoigne, in Smith's words, "gains and loses weight quicker than anyone I've ever known", and in recent months he has had a spindly look and seems to have lost his old voracity.

"You can always tell when he's right," Smith once said. "He's on his toes. When he's not dancing you know he's not right." It seems a long time since Gascoigne was last on his toes.

His move to Teesside, therefore, depends on a lengthy and highly detailed medical. But Bryan Robson, the Middlesbrough manager and Gascoigne's friend and confidant of several years' standing, is optimistic that the club's latest big-money deal will be ratified within 24 hours.

"I am delighted he is joining us because he is still a great player," said Robson. "It has been something of an anxious wait but it does now

seem that we will have a happy ending."

If Gascoigne does pass his medical he may make his debut for Middlesbrough at Wembley on Sunday when they meet Chelsea in the Coca-Cola League Cup final. "Paul will be part of my thinking for Wembley," Robson said.

Gascoigne's lawyer Mel Stein said: "There is every chance he will be playing on Sunday; he played last Saturday."

"He was very reluctant to leave Rangers. It's been the most difficult decision of his life. He's had an extraordinarily good relationship with the players, the supporters, the management and the players."

"Even today they were saying: 'At the end of the day, Paul, look what's best for you.' It was a joint decision. We've had a whole round of discussions today between the owner David Murray, Walter Smith and myself, and at the end of the day he has to make a call and he can't keep prevaricating. Whether it's the right call, who knows?"

"He hasn't been pushed out the door at Rangers, it is just good business for them. They've got almost the same money back as they paid for him, for a player who will be 31 in May. It's terrific business."

"I don't know if he spoke to Glenn Hoddle about it. Glenn said, 'It didn't do Paul Mercer any harm, and we just took that as a green light.'"

Steve Gibson, the chairman, insisted that Middlesbrough were not taking an expensive gamble. "He will bring something different to the squad," he said.



Moved to laughter... Gascoigne training with Rangers yesterday

ROSS TURPIN

Chairmen stranger than fiction



Paul Weaver

I HOPE you read this stuff because, when you are finished, you will be shot of me for good. After half a lifetime as a peddler of hackery and cliché, as a hawker of the inverted comma and the split infinitive, this particular Fourth Estate agent is off to write a sitcom.

Chairmen Behaving Badly. That's the working title, at least. And it is all thanks to Freddie Shepherd. Now you are probably fed up with Shepherd, the disgraced former Newcastle chairman who tried to burn the cigar at both ends, but I have an ardent affection for the man because he is my inspiration.

Not that the series will be based entirely around him and his sidekick Douglas Hall, because they might sue. Clever fiction writers, I have noticed, avoid that danger by borrowing bits from a number of people and lumping them together under a single name.

So there will be a bit of the former Luton chairman David Evans, who banned away fans and said he would turn the hoses on those from Manchester United. As for hooligans, he said he would "beat them until they can't stand up".

Evans is no longer a Conservative MP after describing an election opponent as "a single mother with three bastards".

Then there might be a soupcon of Torquay's Mike Bateson, who bought wooden figures to form defensive walls in training to save money, who took his squad to an optician after an 8-1 defeat and who placed Algerian, ventriloquist's dummy, on the team coach to "cheer the players up".

Then there is Wimbledon's managing director Sam Hamman, who once scrawled graffiti on the dressing-room walls at Upton Park, offered John Fashanu the club presidency in return for signing a new contract, took his side to a strip club for a "get-together" and who, when threatened by relegation, shrugged: "Before we go down we'll leave a stream of blood from here to Timbuktu."

Enough material for an entire sitcom series is contained in a piece in the latest Four Two football magazine. The article starts: "The lunatics are running the asylum..."

There is Wallace Mercer, the Hearts chairman who attempted to purchase their rivals Hibernian and merge the two clubs. Mercer needed police protection after that.

Then there is Michael Knighton, who famously juggled a football at Old Trafford while challenging other chairmen, for £5 million, to beat his keepy-appy record. UFO-spotter Knighton went to Carlisle in 1992, promising Premiership football within seven years and even took charge of the team.

Sitcom writers often come in pairs so I'm taking on Barry Fry. He should come up with some good lines after working for Stan Flashman and David Sullivan. At Birmingham Sullivan told him to "start per forming or else". Fry replied: "We could do without comments like that, especially from someone who doesn't know a goal-line from a clothes line."

Fry appeared to have even less respect for Flashman, who sacked him as manager of Barnet eight times in seven years. "The man is a complete and utter shit," he said of the vast ticket tout who sold invites to Buckingham Palace garden parties, who threatened to ban fans who disagreed with him and who left the club over £1 million in debt after buying Yves St Laurent for the entire first-team squad.

It is not just British football chairmen who are absolutely barking. There is Atletico Madrid's Jesus Gil, who got through 12 managers in five years. He called a French referee "a homosexual". Another match official was described as "drunk" and another, it was suggested, was in need of psychiatric care.

ACCORDING to Four Two, Gil was given his own TV show in which he "lobbed insults at public figures from a pool-side bar, wearing only swimming trunks and a medalion".

It is still difficult, though, to find anyone quite so awful as Shepherd and Hall. The most ridiculous thing about them is that, even when their position was utterly hopeless, when there was a Titanic-fall of evidence against them, when they appeared morally more vulnerable than Humpty Dumpty with an attack of vertigo, they decided to cling on.

It was unspeakable arrogance and the returning chairman Sir John Hall was guilty of the same yesterday when he appeared to back the pair and attack the media. But that is a chairman for you.

I have enough material here to keep my Olivetti portable clattering for years.

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Brilliant Henman in straight-sets triumph over world No. 2 Korda

BRTAIN'S Tim Henman enjoyed one of his finest victories yesterday when he defeated the Australian Open champion Petr Korda 6-4, 6-4 to reach the Lipton Championships quarter-finals in Key Biscayne.

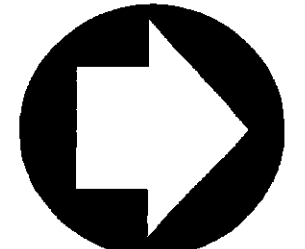
The Czech player, the world No. 2, would have taken the No. 1 spot off the American Pete Sampras had he reached the last four in Florida.

It was the British No. 2's third consecutive straight-

sets victory in Key Biscayne. The emphatic victory — his best after a dismal slump — followed his successes against the South African Grant Stafford and Spain's Carlos Moya.

The back-in-form Henman served superbly and dominated Korda at the net, although the left-hander did not help himself with a string of unforced errors.

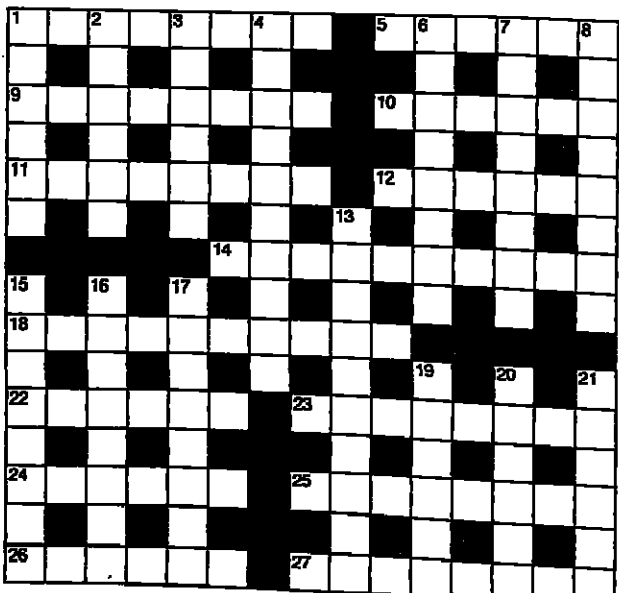
Stephen Brierley, page 15



"Brown spares Middle England". This post-Budget headline has provoked much scholarly inquiry into the tastes and habits of Middle Englanders. Who are these lucky people?

When G2 p5

Guardian Crossword No 21,231 Set by Araucaria

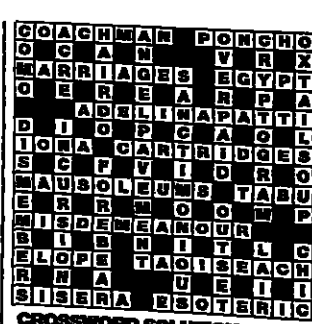


Across

- 1 Autogenous spirit with French gentleman in marquisate (4-4)
- 5 Ginger's classical Oedipal statement (6)
- 9 Gold found in hat — take the broad view (3)
- 10 International body hosted by virtuous composer (5)
- 11 Precipitate dolichocephally? (5)
- 12 Turn more settled — I take interest (5)
- 14 Flour's just the thing for the bread supplier (4-6)
- 18 Lion, dead in obscure circumstances, is starting somewhere near Barking? (4,2,4)
- 22 Keyboard operator heard Bond spit out (5)
- 23 Like a mirage, they called the Scarlet Pimpernel (5)

Down

- 2 Aria OK? Cheers! (3-3)
- 25 The admiral's in the shop window? (5)
- 26 Bag lady below (5)
- 27 A reader is a breeder with obligations (5)
- 1 Poet with rage for love would be a Jewel (5)
- 2 One-dimensional article in a ship (5)
- 3 Just trust me! (5)
- 4 Faint implication of slurs sounds quietening (10)
- 6 Low Poles are sick being on top of skyscraper (5)



- 7 Two males are hallucinatory (5)
- 8 Two manners qualify (5)
- 13 Two shots at pest control? (4,6)
- 15 Obscurity's first: knowledge is wrong (5)
- 16 Second side's heavy breathing: I'm not taking it seriously (5)
- 17 Green jam? (5)
- 19 Uttered a rising note, "Ra" (3,3)
- 20 Get up hot soup? Very well (5)
- 21 Viral infection among other pests (5)

Solution tomorrow

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